

Table of Contents

| | |
|---|-----|
| Agenda | 3 |
| III-1. Public Hearing and Approval of a Façade Improvement Project – 143 N. Rock Island. (District VI) | |
| Agenda Report No. III-1. | 9 |
| Ordinance No. 49-773. | 11 |
| Facade Easement. | 15 |
| IV-1. 2013 Comprehensive Annual Financial Report. | |
| Agenda Report No IV-1. | 22 |
| IV-2. Repair or Removal of Dangerous and Unsafe Structures. (District I) (PULLED PER MANAGER) | |
| Agenda Report No. IV-2. | 24 |
| Supporting Documents | 26 |
| V-1. ZON2014-00005 – Zone change from SF-5 Single-family Residential to TF-3 Two-Family Residential on Property Located West of South 127th Street East, Approximately One-Quarter Mile North of East Pawnee Street. (District II) | |
| Agenda Report No. V-1. | 29 |
| Ordinance No. 49-774. | 31 |
| ZON2014-00005 Background Information and Protest Map | 32 |
| V-2. ZON2014-00006 – City Zone Change from SF-5 Single- Family Residential to TF-3 Two-Family Residential on Property Generally Located North of Central Avenue, East of Interstate Highway 235, on the West Side of Elder Street. (District VI) | |
| Agenda Report No. V-2. | 38 |
| Ordinance No. 49-775. | 40 |
| ZON2014-00006 Background Information and Protest Map | 41 |
| VII-1. Food and Beverage Concession and Lease Agreement - New Terminal - Wichita Mid-Continent Airport. | |
| Agenda Report No. VII-1 | 48 |
| MSE Concessions Exhibit A, B, & D | 51 |
| MSE Concessions Exhibit F - Concessionaire Proposal | 69 |
| MSE Concessions Agreement - Contractual Language Only. | 170 |
| II-1. Report of Board of Bids and Contracts dated June 30, 2014. | |
| Agenda Report No. II-1 | 250 |
| II-3. Preliminary Estimates. | |
| Agenda Report No. II-3 | 265 |
| II-4a. Community Events - Glow Run 5K Wichita. (District IV) | |
| Agenda Report No. II-4a | 269 |
| II-4b. Community Events - Titan 10K. (Districts III and IV) | |
| Agenda Report No. II-4b | 270 |
| II-4c. Community Events - Summer Concerts and WaterWalk. (District I) | |

| | |
|---|-----|
| Agenda Report No. II-4c | 271 |
| II-4d. Temporary Street Closure - Broadway and First Streets. (District VI) | |
| Agenda Report No. II-4d | 272 |
| Map | 273 |
| II-5. Report on Claims for May 2014. | |
| Agenda Report No. II-5 | 274 |
| II-6. Janitorial Services for Various City Facilities. | |
| Agenda Report No. II-6 | 275 |
| II-7. Maureen Connolly Brinker (MCB) Tennis Foundation Grant. (Districts I, III, and VI) | |
| Agenda Report No. II-7 | 276 |
| Grant Request Budget Breakdown | 277 |
| II-8. Second Reading Ordinances. | |
| Second Reading Ordinances | 278 |
| II-9. *WAA Report of Board of Bids and Contracts dated June 30, 2014. | |
| Agenda Report No. II-9 | 279 |

FINAL
CITY COUNCIL

CITY OF WICHITA
KANSAS

City Council Meeting
09:00 a.m. July 1, 2014

City Council Chambers
455 North Main

OPENING OF REGULAR MEETING

- Call to Order
- Invocation
- Pledge of Allegiance
- Approve the minutes of the regular meeting on June 24, 2014

AWARDS AND PROCLAMATIONS

- Service Award:

Debbie Aviks

I. PUBLIC AGENDA

NOTICE: No action will be taken relative to items on this agenda other than referral for information. Requests to appear will be placed on a “first-come, first-served” basis. This portion of the meeting is limited to thirty minutes and shall be subject to a limitation of five minutes for each presentation with no extension of time permitted. No speaker shall be allowed to appear more frequently than once every fourth meeting. Members of the public desiring to present matters to the Council on the public agenda must submit a request in writing to the office of the city manager prior to twelve noon on the Tuesday preceding the council meeting. Matter pertaining to personnel, litigation and violations of laws and ordinances are excluded from the agenda. Rules of decorum as provided in this code will be observed.

None

II. CONSENT AGENDAS (ITEMS 1 THROUGH 9)

NOTICE: Items listed under the “Consent Agendas” will be enacted by one motion with no separate discussion. If discussion on an item is desired, the item will be removed from the “Consent Agendas” and considered separately

(The Council will be considering the City Council Consent Agenda as well as the Planning, Housing, and Airport Consent Agendas. Please see “ATTACHMENT 1 – CONSENT AGENDA ITEMS” for a listing of all Consent Agenda Items.)

COUNCIL BUSINESS

III. UNFINISHED COUNCIL BUSINESS

1. Public Hearing and Approval of a Façade Improvement Project – 143 N. Rock Island. (District VI)
(Deferred June 17, 2014)

RECOMMENDED ACTION: Close the public hearing, approve the façade easement and place the maximum assessment ordinance for the 143 North Rock Island facade improvements on first reading.

IV. NEW COUNCIL BUSINESS

1. 2013 Comprehensive Annual Financial Report.

RECOMMENDED ACTION: Receive and file the 2013 Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013.

(PULLED PER CITY MANAGER)

2. **Public Hearing: Repair or Removal of Dangerous and Unsafe Structures.** (District I)

Property Address
a. 1731 N. Volutsia

Council District
I

COUNCIL BUSINESS SUBMITTED BY CITY AUTHORITIES

PLANNING AGENDA

NOTICE: Public hearing on planning items is conducted by the MAPC under provisions of State law. Adopted policy is that additional hearing on zoning applications will not be conducted by the City Council unless a statement alleging (1) unfair hearing before the MAPC, or (2) alleging new facts or evidence has been filed with the City Clerk by 5p.m. on the Wednesday preceding this meeting. The Council will determine from the written statement whether to return the matter to the MAPC for rehearing.

V. NON-CONSENT PLANNING AGENDA

1. ZON2014-00005 – Zone change from SF-5 Single-family Residential to TF-3 Two-Family Residential on Property Located West of South 12th Street East, Approximately One-Quarter Mile North of East Pawnee Street. (District II)

RECOMMENDED ACTION: Adopt the findings of the MAPC and approve the requested zone change (super majority vote required); authorize the Mayor to sign the ordinance and place the ordinance on first reading; deny the request (simple majority vote required) or return the application to the MAPC for reconsideration.

2. ZON2014-00006 – City Zone Change from SF-5 Single-Family Residential to TF-3 Two-Family Residential on Property Generally Located North of Central Avenue, East of Interstate Highway 235, on the West Side of Elder Street. (District VI)

RECOMMENDED ACTION: 1) Concur with the findings of the MAPC and approve the zoning, subject to the installation of a 6-8 foot tall privacy fence between the subject site and the abutting north property, and authorize the Mayor to sign the ordinance (requires a simple majority vote to override the protest); 2) Deny the zoning request by making alternative findings, and override the MAPC's recommendation (requires a two-thirds majority vote to override the MAPC's recommendation); 3) Return the case to the MAPC for further consideration with a statement specifying the basis for the Council's failure to approve or deny the application (requires a simple majority vote).

HOUSING AGENDA

NOTICE: The City Council is meeting as the governing body of the Housing Authority for consideration and action on the items on this Agenda, pursuant to State law, HUD, and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

Fern Griffith, Housing Member is also seated with the City Council.

VI. NON-CONSENT HOUSING AGENDA

None

AIRPORT AGENDA

NOTICE: The City Council is meeting as the governing body of the Airport Authority for consideration and action on items on this Agenda, pursuant to State law and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

VII. NON-CONSENT AIRPORT AGENDA

1. Food and Beverage Concession and Lease Agreement - New Terminal - Wichita Mid-Continent Airport. (Deferred June 17, 2014)

RECOMMENDED ACTION: Approve the agreement and authorize the necessary signatures.

COUNCIL AGENDA

VIII. COUNCIL MEMBER AGENDA

1. Approval of travel expenses for Council Member Lavonta Williams and Council Member James Clendenin to attend the National League of Cities 2014 Summer Policy Forum for the Policy and Advocacy Steering Committees in St. Paul, MN, July 23-28, 2014.

RECOMMENDED ACTION: Approve the expenditures.

2. Approval of travel expenses for Council Member Lavonta Williams and Council Member Janet Miller to attend the Urban Sustainability Accelerator Re-convening in Portland, Oregon, July 10-13, 2014. All expenses except for airfare and incidentals will be covered.

RECOMMENDED ACTION: Approve the expenditures.

IX. COUNCIL MEMBER APPOINTMENTS

1. Board Appointments.

RECOMMENDED ACTION: Approve the Appointments.

Adjournment

(ATTACHMENT 1 – CONSENT AGENDA ITEMS 1 THROUGH 9)

II. CITY COUNCIL CONSENT AGENDA ITEMS

1. Report of Board of Bids and Contracts dated June 30, 2014.

RECOMMENDED ACTION: Receive and file report; approve Contracts;
authorize necessary signatures.

2. Applications for Licenses to Retail Cereal Malt Beverages:

| | | |
|---|---|---|
| <u>New</u> Sham Gupta | <u>2014</u> Maize Food Mart*** | <u>(Consumption off Premises)</u> 10723 West Kellogg Dr. |
| <u>Renewal</u> Kristin Hale | <u>2014</u> Ty's Diner** | <u>(Consumption on Premises)</u> 928 W. 2nd Street |
| <u>Renewal</u> Andrea Lazenby Mandeep Sira Gurinderveer Sira Giurinderpa Sira | <u>2014</u> Wal-Mart #1507*** Flying Eagle*** Flying Eagle 1*** Flying Eagle 2*** | <u>(Consumption off Premises)</u> 3030 North Rock Rd 277 S. Ridge Road 3405 S. West Street 6330 E. 21st Street N. |

**General/Restaurant (need 50% or more gross revenue from sale of food)

***Retailer (Grocery stores, convenience stores, etc.)

RECOMMENDED ACTION: Approve licenses subject to Staff review and approval.

3. Preliminary Estimates:

- a. List of Preliminary Estimates.

RECOMMENDED ACTION: Receive and file.

4. Consideration of Street Closures/Uses.

- a. Community Events - Glow Run 5K Wichita. (District IV)
b. Community Events - Titan 10K. (Districts III and IV)
c. Community Events - Summer Concerts and WaterWalk. (District I)
d. Temporary Street Closure - Broadway and First Streets. (District VI)

RECOMMENDED ACTION: Approve the request subject to; (1) Hiring off-duty certified law enforcement officers as required; (2) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department; and (3) Securing a Certificate of Liability Insurance on file with the Community Events Coordinator.

5. Report on Claims for May 2014.

RECOMMENDED ACTION: Receive and file.

6. Janitorial Services for Various City Facilities.

RECOMMENDED ACTION: Approve the extension of custodial services contracts.

7. Maureen Connolly Brinker (MCB) Tennis Foundation Grant. (Districts I, III, and VI)

RECOMMENDED ACTION: Authorize staff to accept the grant from the Maureen Connolly Brinker Tennis Foundation and authorize the necessary signatures.

8. Second Reading Ordinances: (First Read June 24, 2014)

- a. List of Second Reading Ordinances.

RECOMMENDED ACTION: Adopt the Ordinances.

II. CONSENT PLANNING AGENDA ITEMS

NOTICE: Public hearing on planning items is conducted by the MAPC under provisions of State law. Adopted policy is that additional hearing on zoning applications will not be conducted by the City Council unless a statement alleging (1) unfair hearing before the MAPC, or (2) alleging new facts or evidence has been filed with the City Clerk by 5p.m. on the Wednesday preceding this meeting. The Council will determine from the written statement whether to return the matter to the MAPC for rehearing.

None

II. CONSENT HOUSING AGENDA ITEMS

NOTICE: The City Council is meeting as the governing body of the Housing Authority for consideration and action on the items on this Agenda, pursuant to State law, HUD, and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

Fern Griffith, Housing Member is also seated with the City Council.

None

II. CONSENT AIRPORT AGENDA ITEMS

NOTICE: The City Council is meeting as the governing body of the Airport Authority for consideration and action on items on this Agenda, pursuant to State law and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

9. ***WAA Report of Board of Bids and Contracts dated June 30, 2014.**

RECOMMENDED ACTION: Receive and file report; approve Contracts; authorize necessary signatures.

**City of Wichita
City Council Meeting
July 1, 2014**

TO: Mayor and City Council Members

SUBJECT: Public Hearing and Approval of a Façade Improvement Project – 143 N. Rock Island (District VI)

INITIATED BY: Office of Urban Development

AGENDA: Unfinished Business

Recommendation: Close the public hearing and place the maximum assessment ordinance on first reading.

Background: Since 2001, the City of Wichita has operated the Façade Improvement Program, which provides low-cost loans and grants to enhance the visual aesthetics of buildings located in defined areas needing revitalization, including the City’s core area. The low-cost loans are funded through special assessment financing. In 2009, the Façade Improvement Program was revised to require that private funding for overall project costs be at least equal to public funding and that applicants show a financial need for public assistance in order to complete the project, based on the owner’s ability to finance the project and assuming a market-based return on investment.

On June 3, 2014, the City Council accepted a petition to create a special assessment benefit district for a building located at 143 North Rock Island and adopted a resolution authorizing façade improvements as part of a larger renovation project, setting a public hearing on the project for June 17, 2014. On June 17, 2014, the City Council deferred the item until July 1, 2014 to allow the Law Department to complete a legal review of the confidentiality of the staff analysis of the project’s need for public incentives.

Analysis: The project is part of the acquisition and rehabilitation of 143 North Rock Island in Old Town. The overall project includes a \$2,500,000 acquisition and renovation, including extensive interior and exterior improvements to the building. The overall project includes converting the first floor into retail space and the upper two stories to apartments. The \$180,000 facade project will include tuck-pointing the brick, new windows and doors, and additional work to restore the building and meet ADA requirements. The Office of Urban Development has reviewed the economic (“gap”) analysis of the project and determined a financial need for incentives based on the current market.

State law requires a formal public hearing to levy assessments for special assessment benefit districts. By using a maximum assessment ordinance, the City levies the assessments in advance of the improvements being constructed, which protects the City from a protest petition should the building change ownership during the construction period. Once the construction is complete and final costs are known, including financing costs, the assessment ordinance will be amended to reflect the actual costs, which will be lower than the original maximum amount.

The City’s Façade Program Policy requires developers to provide the City with acceptable surety, such as a letter of credit, to ensure that the City will be reimbursed for any façade expenditures in the event the City cannot levy special assessment taxes on the improved property. In this case, in lieu of a letter of credit, the property owner will pay the construction costs until the façade project is complete and special assessments can be placed on the property. Once the project is complete, as evidenced by an architect’s certificate of completion, the City will reimburse the property owner for documented eligible façade costs. Once special assessment bonds are issued, the City’s risk will be partially secured by a tax lien on the property.

Financial Considerations: The proposed maximum assessment amount is \$160,000, based on the following uses of funds:

| | |
|----------------------------|---------------|
| Façade improvement costs | \$156,034 |
| 2% City administrative fee | 2,837 |
| Façade Improvement Grant | (20,000) |
| Financing costs | <u>21,129</u> |
| Maximum Assessment | 160,000 |

The façade improvement costs include a 10% contingency amount to cover any unexpected expense, in order to avoid the possible need to increase the maximum assessment. The actual amount to be assessed to the property, not to exceed \$160,000, will be based on a final statement of costs following completion of construction and will be financed with 15-year special assessment general obligation bonds. Included in the financing costs will be a contingency reserve equivalent to one year's debt service to mitigate risk. Any unused reserve will be used to make the final special assessment payment.

The Façade Improvement Program provides for a \$10,000 grant for a mid-block building or \$30,000 grant for corner buildings. The developer is requesting a \$20,000 grant as part of the project, \$10,000 per street facing façade. The building is unique in that the east and west facades face a street (Rock Island to the east and Mead to the west). The balance of the grant funding allocated by the City Council for the Façade Improvement Program is \$221,000. With the approval of the \$20,000 grant for this project, \$201,000 will be available for future projects.

Legal Considerations: The attached Maximum Assessment Ordinance and Façade Easement have been approved as to form by the Law Department. State statutes provide the City Council authority to use special assessment funding for the project. A public hearing is required as part of the approval process. The actual amount to be assessed at the completion of construction may be less, but it may not exceed the amounts included in the petition, resolution and ordinance.

The Law Department has analyzed the basis for treating the “gap” analysis as confidential information under the Kansas Open Records Act and determined that the exception for research data gathered in the process of staff analysis does not apply in this case because the “gap” analysis has been specifically cited in an agenda report.

Recommendation/Action: It is recommended that the City Council close the public hearing, approve the façade easement and place the maximum assessment ordinance for the 143 North Rock Island façade improvements on first reading.

Attachments: Maximum Assessment Ordinance
Façade Easement

ORDINANCE NO. 49-773

AN ORDINANCE LEVYING AND ASSESSING MAXIMUM SPECIAL ASSESSMENTS ON CERTAIN LOTS, PIECES AND PARCELS OF PROPERTY LIABLE FOR SUCH SPECIAL ASSESSMENTS TO PAY THE COSTS OF INTERNAL IMPROVEMENTS IN THE CITY OF WICHITA, KANSAS (FAÇADE IMPROVEMENTS –143 NORTH ROCK ISLAND IMPROVEMENT DISTRICT).

WHEREAS, pursuant to Resolution No. 14-149 (the “Resolution”), the City Council (the “Governing Body”) of the City of Wichita, Kansas (the “City”) has authorized, pursuant to K.S.A. 12-6a01 *et seq.* (the “Act”) the creation of an improvement district (the “Improvement District”) and the construction of the following improvements therein:

Construction of improvements to area walls on public ways or land abutting thereto consisting of façade improvements (the “Improvements”); and

WHEREAS, prior to commencement of construction of the Improvements, the City has determined the maximum amount of assessment against each lot, piece or parcel of land deemed to be benefited by the Improvements based on the approved estimate of cost of the Improvements and has held a public hearing on the proposed maximum special assessments to be levied against property in the Improvement District for the cost of the Improvements after providing notice of such hearing as required by the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS:

Section 1. Levy of Assessments. Pursuant to the Act, special assessments to pay the costs of the Improvements are hereby levied and assessed the amounts against the lots, pieces and parcels of land liable therefore as described on *Exhibit A* to this Ordinance, which is incorporated herein by reference; provided, however, that if the final cost of the completed Improvements is less than the maximum amount of the assessments set forth on *Exhibit A*, the Governing Body shall adjust the assessments to reflect the cost of the completed Improvements. If any property owner elects to prepay the maximum assessment as provided in **Section 2** and the final cost of the completed Improvements as determined by the Governing Body is less than the estimated cost of the Improvements used to determine the maximum assessments, the City Clerk shall mail a check to the then current owner of the property for the difference.

Section 2. Payment of Assessments. The amounts so levied and assessed in **Section 1** shall be due and payable from and after the date of publication of this Ordinance; and the City Clerk shall notify the owners of the affected properties of the amounts of their assessments, that unless the assessments are paid by July 20, 2014, unless extended by action of the Governing, following which notice of the extended date shall be mailed to the owners of record of all property in the Improvement District (the “Prepayment Date”), bonds will be issued therefore and such assessments will be levied concurrently with general taxes.

Section 3. Certification. Any amount of special assessments not paid within the time prescribed in **Section 2** hereof shall be certified by the City Clerk to the County Clerk of Sedgwick County, Kansas, in the same manner and at the same time as other taxes are certified and will be collected in 15 annual installments, together with interest on such amounts at a rate not exceeding the maximum rate therefor as prescribed by the Act. Interest on the assessed amount remaining unpaid between the

effective date of this Ordinance and the date the first installment is payable, but not less than the amount of interest due during the coming year on any outstanding bonds issued to finance the Improvements, shall be added to the first installment. The interest for one year on all unpaid installments shall be added to each subsequent installment until paid.

Section 4. Effective Date. This Ordinance shall take effect and be in force from and after its passage by the Governing Body and publication once in the official City newspaper. The City Clerk is directed to file this Ordinance with the Register of Deeds of Sedgwick County, Kansas.

PASSED by the City Council of the City on July 8th, 2014 and **SIGNED** by the Mayor.

(SEAL)

Carl Brewer, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Gary E. Rebenstorf, Director of Law

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on [_____]; that the record of the final vote on its passage is found on page ____ of journal ____; and that the Ordinance or a summary thereof was published in ***The Wichita Eagle*** on [_____].

DATED: [_____].

Karen Sublett, City Clerk

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

Exhibit A

**(FAÇADE IMPROVEMENTS – 143 NORTH ROCK ISLAND IMPROVEMENT DISTRICT)
RESOLUTION NO. 14-149**

| Description of Property | Amount of Maximum Assessment |
|--|-------------------------------------|
| | |
| N 58 FT LOT 6 EXC E 20 FT & 10 FT ADJ ON W MEAD AVE EAST WICHITA ADDITION | \$160,000 |
| Pin #00118862 | |
| Geo Code #B-00314 | |

When Recorded Return to:
City of Wichita, Kansas
Office of Urban Development
455 N. Main, 13th Floor
Wichita, Kansas 67202

**FACADE EASEMENT
FACADE IMPROVEMENT PROGRAM**

THIS FACADE EASEMENT made as of [_____], by and between Kamen GT, LLC, hereinafter called "Grantor," and the City of Wichita, Kansas, hereinafter called "Grantee" or "City":

WITNESSETH THAT,

WHEREAS, the Grantee is a municipal corporation pursuant to state law; and

WHEREAS, the Grantee is authorized pursuant to K.S.A. 12-6a01 *et. seq.* (the "Act") to make or cause to be made improvements which confer a special benefit upon a property within a definable area of the City; and,

WHEREAS, the Grantee may levy and collect special assessments upon property deemed by the City Council (the "Governing Body") to be benefited by such improvement; and,

WHEREAS, the Grantee may acquire an interest in property when necessary for any of the purposes set forth in the Act; and,

WHEREAS, the Grantee is authorized to accept easements necessary for improvements to be financed through special assessment financing pursuant to the Act; and,

WHEREAS, the Grantor is the owner in fee simple of the improved real property consisting of a lot and building improvements located at 143 North Rock Island, Wichita, Kansas (the "Premises"), the legal description for which is set forth on ***Exhibit A*** attached hereto and incorporated herein by reference; and,

WHEREAS, the Grantor has submitted a Facade Improvement Petition for special assessment financing to improve, restore and enhance the facade of the Premises; and,

WHEREAS, the grant of a facade easement by the Grantor to the Grantee will assist in the improvement of the Premises.

NOW, THEREFORE, in consideration of the sum of one dollar (\$1.00), and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, the Grantor does hereby grant, bargain, sell and convey to the Grantee, its successors and assigns, a 15 year facade easement in and to the Premises. The easement granted in the Premises shall constitute a binding servitude upon the Premises and shall be deemed to run with the said Premises for a period of 15 years, with said fifteen year period being contemporaneous with the period of time that the Premises are encumbered with special assessment payments related to improvements made to its facade. As a further

condition of said easement, Grantor agrees to the following covenants, restrictions and obligations related to said facade:

1. Without the express written consent of the Grantee, signed by an authorized representative of the Grantee, no construction, alteration, remodeling or other action shall be undertaken or permitted to be undertaken which would affect the exterior facade improvements on the Premises (including, without limitation the exterior walls, the roofs or chimneys) or which would adversely affect the structural soundness of improvements on the Premises. In the event the Grantee does consent to construction, alteration, remodeling or other action which would affect the exterior facade of improvements on the Premises, the Grantor agrees that such construction, alteration, remodeling or other action will conform with applicable local, state and federal standards for construction or restoration or rehabilitation of historic property. Grantor agrees on behalf of itself and any successor condominium owners association at all times to maintain the Premises in good and sound state of repair and to bear the cost of all maintenance and repair of the Premises.

2. The Premises shall not be divided, diminished or subdivided nor shall the Premises ever be devised or conveyed except that the Premises may be divided into condominium units, the units may be conveyed to buyers, and the remainder of the Premises may be conveyed to a condominium owners association.

3. The Premises shall only be used for a use consistent with the zoning ordinances of the City.

4. No other structures may be constructed on the Premises during the term of this facade easement without the express written permission of the Grantee, signed by an authorized representative of the Grantee.

5. No utility transmission lines, except those required by the existing structures or by structures permitted by the Grantee, may be placed on or over the Premises.

6. No topographical changes shall be made or allowed on the Premises without the express written permission of the Grantee, signed by an authorized representative of the Grantee.

7. Grantor agrees that representatives of the Grantee, its successors or assigns, shall be permitted at all reasonable times to inspect the Premises. Inspections will normally take place on the exterior of the structures on the Premises; however, Grantor agrees that representatives of the Grantee, its successors and assigns, shall be permitted to enter and inspect the structures on the Premises to insure maintenance of structural soundness. Inspection of the interior of the structures will not take place more often than annually, in the absence of deterioration, and shall require prior notice to Grantor. Inspection of the interior of the structures will be made at a time mutually agreed upon by the Grantor and Grantee, its successors or assigns, and Grantor will not unreasonably withhold its consent in determining a date and time for such inspections.

8. In the event of a violation of any covenant or restriction herein, the Grantee, its successors and assigns, following no less than thirty (30) days notice to Grantor of the violation, may institute suit to enjoin such violation and to require restoration of the Premises in compliance with the covenants or restrictions herein. The Grantee, its successors or assigns, shall also have available all legal and equitable remedies to enforce Grantor's obligations hereunder (following expiration of the thirty (30) day notice and cure period set forth above), and in the event Grantor is found to have violated any of its obligations following expiration of such notice and cure period, Grantor shall reimburse Grantee, its successors and assigns, for any costs or expenses incurred in connection therewith, including court costs

and reasonable attorneys' fees. In addition, Grantor acknowledges that the Grantee has advanced or will advance \$20,000 in public funds to defray costs of a portion of Grantor's façade improvements, and Grantor further acknowledges that, in the event of Grantor's violation of any covenant or restriction herein contained for the preservation, maintenance or repair of the façade improvements during the term of this easement, the Grantee will not have received the social and economic development benefits expected in connection with its advance of public funds, and the resulting loss to the Grantee will be difficult to measure. In such event, the Grantor covenants to repay to the Grantee, on demand, as contractual or liquidated damages, the amount advanced.

9. Grantor agrees that these covenants and restrictions will be inserted by it in any subsequent deed or other legal instrument by which it divests itself of either the fee simple title or its possessory interest in the Premises, or any part thereof during the term of this facade easement. Grantor agrees to give Grantee written notice of any sale or mortgage of the Premises or any part thereof within a reasonable time after such sale or mortgage.

10. Grantor agrees to maintain the facades of the Premises in its original condition and configuration or in a condition or configuration which is agreed to by the Grantee.

11. Nothing herein contained shall impose any obligation or liability on the Grantee for the restoration, renovation, preservation or maintenance of the facades of the Premises or any part of the Premises. The Grantor shall indemnify and hold harmless the Grantee from any liability for any and all claims, demands, damages, judgments, costs or expenses in connection with the restoration, renovation, preservation and maintenance of the facades of the Premises or any part thereof or in connection with the failure to restore, renovate, preserve or maintain the facades of the premise or any part of the Premises.

12. The Grantor shall maintain insurance on the Premises in such amount and on such terms as will allow the Grantee to restore, repair or rebuild the facade of the Premises in the event the facade is damaged or destroyed. In the event of damage to or destruction of the facades of the Premises, the Grantor alone may determine that the facade of the Premises cannot be reasonably restored, repaired or reconstructed. In such event, the Grantee shall be entitled to receive from the Grantor the greater of the following: the fair market value of the easement granted herein at the time the easement was granted or the fair market value of the easement granted herein immediately before the facade of the Premises was damaged or destroyed. However, any payment to the Grantee under the terms of this paragraph shall not terminate the easement granted herein, and the terms of the easement which are still applicable to the Premises shall remain in full force and effect. The provisions of this paragraph shall apply whether or not the Grantor maintains the insurance coverage required by this paragraph. In the event the Grantee receives any payment under the terms of this paragraph, the Grantee shall use such payment in a manner consistent with the purpose of this easement.

13. Grantor acknowledges that the easement granted herein gives rise to a property right, vested immediately, with fair market value that is a minimum ascertainable portion of the fair market value of the Premises. Thus, if a subsequent unexpected change in the conditions surrounding the Premises makes it impossible or impracticable to preserve the Premises for the purposes for which the easement was granted and restrictions imposed by the easement granted herein are terminated by judicial proceedings, the Grantee, on a subsequent sale, exchange or involuntary conversion of the Premises, will be entitled to a portion of the proceeds determined in accordance with the ratio that the fair market value of the easement granted herein determined on the date of this Facade Easement is executed, unless state law determines that the Grantor is entitled to full proceeds from the conversion without regard to the terms of the prior restrictions imposed by the Facade Easement. In the event the Grantee receives such proceeds from the subsequent sale, exchange or involuntary conversion of the Premises, the Grantee shall

use such proceeds in a manner consistent with the terms conservation/enhancement purposes of the easement.

The covenants and restrictions imposed by the aforesaid, shall not only be binding upon the Grantor, but also upon its heirs, assigns, and all other successors in interest, and shall continue as a servitude running for the fifteen year term of the Facade Easement with the land and shall survive the Grantor and any termination of the Grantor's existence. All rights reserved herein to the Grantee shall run for the benefit of and be exercised by its successors, assigns, or by its designee duly authorized.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed in counterpart these presents as of the day and year first above written.

GRANTOR:

Kamen GT, LLC

By: _____

Name: _____

Title: _____

ACKNOWLEDGMENT

STATE OF [_____])
) SS:
COUNTY OF [_____])

This instrument was acknowledged before me on _____, by _____,
[Title] of [Property Owner].

[SEAL]

Notary Public

My Appointment Expires:

IN WITNESS WHEREOF, the parties hereto have executed in counterpart these presents as of the day and year first above written.

GRANTEE:

CITY OF WICHITA, KANSAS

(SEAL)

Carl Brewer, Mayor

ATTEST:

Karen Sublett, City Clerk

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS:
COUNTY OF SEDGWICK)

This instrument was acknowledged before me on _____, by Carl Brewer, Mayor and Karen Sublett, City Clerk of the City of Wichita, Kansas, a municipal corporation.

[SEAL]

Notary Public

My Appointment Expires:

APPROVED AS TO FORM:

Gary E. Rebenstorf, Director of Law

Exhibit A

Property Subject to Easement

An easement for construction and preservation of façade improvements on the east and west façades of certain buildings currently addressed at 143 North Rock Island, in the City of Wichita, Kansas, abutting public ways on Rock Island and Mead in such City, together with easements for ingress, egress and access to the said facades as necessary for such purposes, all on that property described as:

The north 58 feet of Lot 6, on Mead Avenue, except the east 20 feet thereof; in East Wichita Addition, Sedgwick County, Kansas, together with the east 10 feet of vacated Mead Avenue adjoining on the west.

**City of Wichita
City Council Meeting
July 1, 2014**

TO: Mayor and City Council Members

SUBJECT: 2013 Comprehensive Annual Financial Report

INITIATED BY: Department of Finance

AGENDA: New Business

Recommendation: Receive and file the report.

Background: Kansas state law requires an annual audit of all City accounts to be performed by an independent certified public accounting firm. The Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2013 includes the independent auditors' report on the financial statements that provides an opinion on the basic financial statements, as well as an opinion on other information in the CAFR in relation to the basic financial statements as a whole.

The CAFR is a financial report that exceeds the minimum requirements for public sector jurisdictions and is compliant with the national standards for local government accounting and reporting. The CAFR is provided to investment banks that market the City's bonds, bond rating agencies, secondary market agencies to comply with disclosure requirements of existing debt and future offerings, granting agencies for award review, educational institutions for research, other interested parties and citizens.

The Wichita Public Building Commission is considered a component unit of the City of Wichita and is appropriately reflected in the CAFR as part of the financial reporting entity. The City's CAFR provides additional information needed to gain an understanding of the government's financial position, results of operations and cash flows, and provides information demonstrating compliance with legally established budgets.

Analysis: The independent certified public accounting firm of Allen, Gibbs & Houlik, L.C. issued its opinion that the presentations that collectively comprise the basic financial statements present fairly, in all material respects, the financial position of the City as of December 31, 2013. This report is included in the Financial Section of the CAFR. A report on audit findings related to internal control and grant compliance is located in the Single Audit Section, along with management's response.

The Introductory Section of the CAFR includes the transmittal letter which summarizes initiatives of the past year, addresses local economic conditions, as well as the City's business and financial plans. The Financial Section presents a management discussion and analysis of the activities of the past year, as well as financial schedules at the entity-wide and the individual fund level for major funds. Other sections of the CAFR present an array of information to assist the reader in understanding the economic environment and the City's financial trends.

The Single Audit Section of the CAFR is of particular interest to granting agencies and includes the independent auditors' report on internal control and compliance with requirements of grant programs, while the specific reporting requirements of the water and sewer revenue bond covenants are included in the Water Utilities Section.

The Government Finance Officers Association (GFOA) of the United States and Canada awarded Certificates of Achievement for Excellence in Financial Reporting to the City for the 2012 CAFR. In order to be awarded a Certificate of Achievement, the report must be efficiently organized and conform to the program standards. Staff believe that the 2013 CAFR will meet the GFOA standards for certification and staff have again applied for this recognition.

Financial Considerations: The 2013 CAFR reports the financial status of the City's funds as of December 31, 2013.

Legal Considerations: Kansas law requires an annual audit of City financial records by a certified public accounting firm (K.S.A. 75-1122) in accordance with the minimum standard audit program (K.S.A. 75-1123).

Recommendations/Actions: It is recommended that the City Council receive and file the 2013 Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013.

Attachments: 2013 Comprehensive Annual Financial Report.

City of Wichita
City Council Meeting
July 1, 2014

TO: Mayor and City Council

SUBJECT: Repair or Removal of Dangerous and Unsafe Structures
(District I)

INITIATED BY: Metropolitan Area Building and Construction Department

AGENDA: New Business

Recommendations: Adopt the resolution.

Background: On May 20, 2014, a report was submitted with respect to the dangerous and unsafe conditions on the property listed below. The City Council adopted a resolution providing for a public hearing to be held on the condemnation actions at 9:30 a.m. or soon thereafter, on July 1, 2014.

Analysis: On May 5, 2014, the Board of Building Code Standards and Appeals (BBCSA) held a hearing on the property listed below:

Property Address
a. 1731 N Volutsia

Council District
I

Detailed information/analyses concerning the property are included in the attachments.

Financial Considerations: Structures condemned as dangerous buildings are demolished with funds from the Metropolitan Area Building and Construction Department Special Revenue Fund contractual services budget, as approved annually by the City Council. This budget is supplemented by an annual allocation of Federal Community Development Block Grant funds for demolition of structures located within the designated Neighborhood Reinvestment Area. Expenditures for dangerous building condemnation and demolition activities are tracked to ensure that City Council Resolution No. R-95-560, which limits MABCD expenditures for non-revenue producing condemnation and housing code enforcement activities to 20% of MABCD's total annual budgeted Special Revenue Fund expenditures, is followed. Owners of condemned structures demolished by the City are billed for the contractual costs of demolition, plus an additional \$500 administrative fee. If the property owner fails to pay, these charges are recorded as a special property tax assessment against the property, which may be collected upon subsequent sale or transfer of the property.

Legal Considerations: The resolutions and notices of hearing have been reviewed and approved as to form by the Law Department.

Recommendations/Actions: It is recommended that the City Council close the public hearing, adopt the resolutions declaring the building to be a dangerous and unsafe structure, and accept the BBCSA recommended actions to proceed with condemnation, allowing 10 days to start demolition and 10 days to complete removal of the structure. Any extensions of time granted to repair any structure would be contingent on the following: (1) All taxes have been paid to date as of July 1, 2014; (2) the structure has been secured as of July 1, 2014, and will continue to be kept secured; and (3) the premises are mowed and free of debris as of July 1, 2014, and will be so maintained during renovation.

If any of the above conditions are not met, the Metropolitan Area Building and Construction Department will proceed with demolition action and also instruct the City Clerk to have the resolutions published once in the official city paper and advise the owner of these findings.

Attachments: Memorandums to Council, case summaries, and resolution.

DATE: June 10, 2014

CDM SUMMARY

COUNCIL DISTRICT # I

ADDRESS: 1731 N VOLUTSIA

LEGAL DESCRIPTION: THE SOUTH 52 FEET OF THE NORTH 66 FEET OF LOT 43, ACADEMY, NOW VOLUTSIA AVE, GETTO'S 3RD ADDITION

DESCRIPTION OF STRUCTURE: A one-story, frame dwelling about 38 x 23 feet in size. Vacant and open, this structure has missing rear basement wall; improperly constructed front basement wall; missing wood lap siding; exposed framing members; and missing porches and steps.

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

- A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.**
- B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.**
- C. Those open to unauthorized persons or those permitted to be attractive to loiterers, vagrants, or children.**
- D. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.**

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

Director of Metropolitan Area Building and Construction Department
Enforcing Officer

Date

DATE: June 10, 2014

BCSA GROUP # 4

ADDRESS: 1731 N VOLUTSIA

ACTIVE FIELD FILE STARTED: March 19, 2007

NOTICE(S) ISSUED: Since March 19, 2007, a notice of improvements and numerous notices of violation have been issued. This case is currently in neighborhood court.

PRE-CONDEMNATION LETTER: November 8, 2013

TAX INFORMATION: Current.

COST ASSESSMENTS/DATES: None

PREMISE CONDITIONS: There is a huge pile of dirt and concrete on the premises.

VACANT NEGLECTED BUILDING REPORT: None

CENTRAL INSPECTION NUISANCE ABATEMENT REPORT: None

POLICE REPORT: No incidents in the last 5 years.

FORMAL CONDEMNATION ACTION INITIATED: November 20, 2013

RECENT DEVELOPMENTS: There is still a construction permit violation case on this property because of work done outside of the scope of the permit, failure of the owner to call for required inspections, failure to obtain an engineer's report, and failure of the owner to heed the stop work order. There are serious issues with the reconstruction of the basement walls. The property recently changed hands. The BCSA directed the previous owner to obtain an engineer's report on the basement walls.

The building inspection supervisor met with the new owner on site. A structural engineer has now been hired by the owner, and a plan for the correction of the foundation walls is being developed.

HISTORIC PRESERVATION REPORT: None

OWNER'S PAST CDM HISTORY: There was a previous condemnation case on this property before the current owner purchased it. That case was deferred indefinitely by the City Council.

BOARD OF B. C.S. & A. RECOMMENDATION: At the February 3, 2014 BCSA hearing the owner, Chris Ropar, attended the hearing. Board Member Redford made a motion to allow until the May meeting for Mr. Ropar to contact an engineer and to follow through with the engineer's recommendations for making the basement walls structurally sound and to schedule required inspections and receive the necessary approval before continuing work on the project, maintaining the site in a clean and secure condition in the interim. Board Member Wilhite seconded the motion. The motion carried.

At the May 5 2014 BCSA hearing, no owner was present. Accepting the staff report on the property, Board Member Redford made a motion to refer the property to the City Council with a recommendation

of condemnation, with ten days to begin wrecking the structure and ten days to complete the demolition. Board Member Crotts seconded the motion. The motion carried.

STAFF RECOMMENDATION/REMARKS: Adopt the recommendation of the Board of Code Standards and Appeals. However, any extensions to repairs would be providing that all provisions of City Council Policy 33 are complied with. If any of these conditions are not met, staff is directed to proceed to let for bids to demolish the structure.

City of Wichita
City Council Meeting
July 1, 2014

TO: Mayor and City Council

SUBJECT: ZON2014-00005 – Zone change from SF-5 Single-family Residential to TF-3 Two-Family Residential on Property Located West of South 127th Street East, Approximately One-Quarter Mile North of East Pawnee Street (District II)

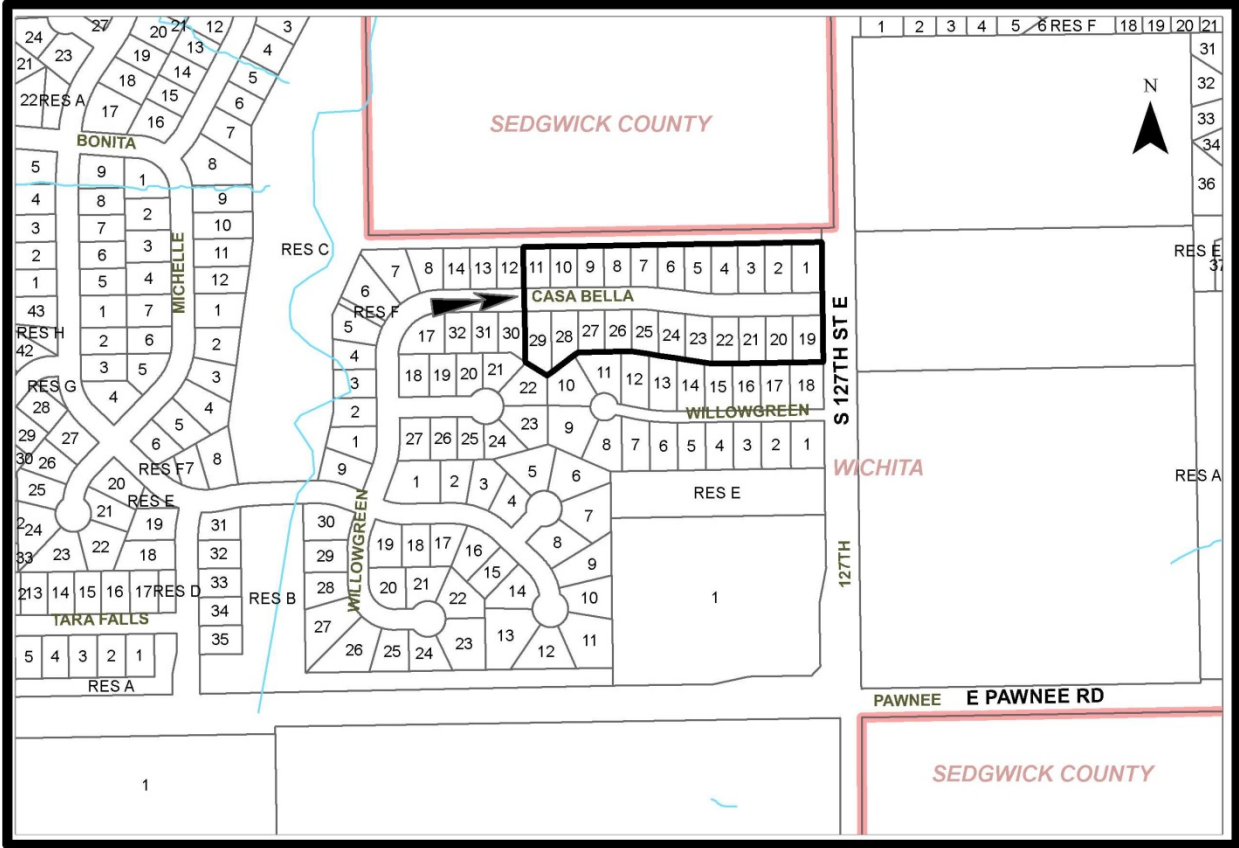
INITIATED BY: Metropolitan Area Planning Department

AGENDA: Planning (Non-Consent)

MAPC Recommendation: The MAPC recommended approval of the request (9-0).

DAB Recommendation: District Advisory Board II declined to make a recommendation regarding the request (7-0-1).

MAPD Staff Recommendation: Metropolitan Area Planning Department staff recommended approval of the request.



Background: The application area is 4.96 acres that contains 22 platted lots zoned SF-5 Single-family Residential (SF-5). The lots are situated on both sides of Casa Bella Street and are located approximately one-quarter mile north of East Pawnee Road, west of South 127th Street East. The lots are part of the Casa Bella Third Addition and are undeveloped. The applicant is requesting to rezone the application area to the TF-3 Two-family Residential (TF-3) district, which would permit both single-family and two-family residential uses. From South 127th Street East, Casa Bella Street heads west through and beyond the application area, ultimately curving south to connect with East Willowgreen Street, which heads further west where it connects with South Tara Falls Street that connects with East Pawnee Road.

Located immediately north of the application area is the SF-5 zoned Reserve C; a 40-foot wide drainage and utility reserve associated with the Casa Bella Addition. North of Reserve C is a nearly 20-acre tract that is developed with a residence and used for farming or ranching. East of South 127th Street East are large unplatted tracts that are zoned SF-5 and LC Limited Commercial (LC). An identical zone change request (ZON2010-00024) was approved in 2010 for 18 platted lots (Lots 1-18, Block 1, Casa Bella Third Addition) located on both sides of Willowgreen Circle, situated immediately south of the application area. The land located west of the application area is part of three Casa Bella residential subdivisions, and is zoned SF-5.

Analysis: On May 22, 2014, the Metropolitan Area Planning Commission (MAPC) approved (9-0) the request. Two individuals, representing the same property located north of the application area, spoke in opposition. The speakers expressed the opinion that the zone change would negatively impact their farming and ranching activities by introducing additional density abutting their small farm and their pasture had become infested with weeds and trash from the applicant's property. The property owners also expressed the opinion that since they were the only ones present to object, the other surrounding property owners must not have been notified.

On June 3, 2014, District Advisory Board (DAB) II voted 7-0-1 to decline to make a recommendation regarding the request after the same property owners who spoke in opposition at the MAPC meeting appeared to present the same objections as had been presented at MAPC. One property owner has submitted a protest petition that equals 33.05 percent. A three-fourths majority vote by the City Council will be required to override the protest petition.

Financial Considerations: Approval of this request will not create any financial obligations for the City.

Legal Considerations: The Law Department has reviewed and approved the ordinance as to form.

Recommendation/Actions: It is recommended that the City Council adopt the findings of the MAPC and approve the requested zone change (super majority vote required); authorize the Mayor to sign the ordinance and place the ordinance on first reading; deny the request (simple majority vote required) or return the application to the MAPC for reconsideration.

Attachments: MAPC minutes, DAB memo, protest map and ordinance.

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

BE IT ORDAINED BY THE GOVERNING BODY
OF THE CITY OF WICHITA, KANSAS.

SECTION 1. That having received a recommendation from the Planning Commission, and proper notice having been given and hearing held as provided by law and under authority and subject to the provisions of The Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended, the zoning classification or districts of the lands legally described hereby are changed as follows:

Case No. ZON2014-00005

Zone change request from SF-5 Single-family Residential to TF-3 Two-family Residential, on property containing approximately 4.96 acres generally located approximately one-quarter mile north of East Pawnee Road, west of South 127th Street East, and described as:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 and 29, Block 1, along with lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11, Block 2, all in Casa Bella Third Addition to Wichita, Sedgwick County, Kansas.

SECTION 2. That upon the taking effect of this ordinance, the above zoning changes shall be entered and shown on the "Official Zoning Map" previously adopted by reference, and said official zoning map is hereby reincorporated as a part of the Wichita -Sedgwick County Unified Zoning Code as amended.

SECTION 3. That this Ordinance shall take effect and be in force from and after its adoption and publication in the official City paper.

ADOPTED this 8th day of July, 2014.

Carl Brewer - Mayor

ATTEST:

Karen Sublett, City Clerk

(SEAL)

Approved as to form: _____
Gary E. Rebenstorf, City Attorney

**EXCERPT MINUTES OF THE MAY 22, 2014 WICHITA-SEDGWICK COUNTY
METROPOLITAN AREA PLANNING COMMISSION HEARING**

Case No.: ZON2014-00005 - Tara Developers, LLC (Brett Orth) / Ruggles & Bohm, P.A. (Will Clevenger) request a City zone change request from SF-5 Single-family Residential to TF-3 Two-family Residential on 4.96 acres on property described as:

BACKGROUND: The application area is 4.96 acres that contains 22 platted lots zoned SF-5 Single-family Residential (SF-5). The lots are situated on both sides of Casa Bella Street and are located approximately one-quarter mile north of East Pawnee Road, west of South 127th Street East. The lots are part of the Casa Bella Third Addition and are undeveloped. The applicant is requesting to rezone the application area to the TF-3 Two-family Residential (TF-3) district, which would permit both single-family and two-family residential uses. From South 127th Street East, Casa Bella Street heads west through and beyond the application area, ultimately curving south to connect with East Willowgreen Street, which heads further west where it connects with South Tara Falls Street that connects with East Pawnee Road.

Located immediately north of the application area is the SF-5 zoned Reserve C; a 40-foot wide drainage and utility reserve associated with the Casa Bella Addition. North of Reserve C is a nearly 20-acre tract that is developed with a residence and used for farming or ranching. East of South 127th Street East are large unplatted tracts that are zoned SF-5 and LC Limited Commercial (LC). An identical zone change request (ZON2010-00024) was approved in 2010 for 18 platted lots (Lots 1-18, Block 1, Casa Bella Third Addition) located on both sides of Willowgreen Circle, situated immediately south of the application area. The land located west of the application area is part of three Casa Bella residential subdivisions, and is zoned SF-5.

CASE HISTORY: The Casa Bella Third Addition was recorded in 2010. In 2004, the subject property was annexed and zoned SF-5.

ADJACENT ZONING AND LAND USE:

North: SF-5, SF-20; drainage/utility reserve, large-lot residence
South: TF-3; two-family residences
East: SF-5, LC; vacant
West: SF-5; single-family residences

PUBLIC SERVICES: The site is platted and required public improvements would have been guaranteed by the plat.

CONFORMANCE TO PLANS/POLICIES: The 2030 Wichita Functional Land Use Guide map depicts the site as appropriate for “urban residential” uses. The “urban residential” category includes the full diversity of residential development densities and types typically found in a large urban municipality, including: single detached homes, semi-detached homes, zero lot line units, patio homes, duplexes, townhomes and apartments as well as a wide range of special residential accommodations for the elderly.

RECOMMENDATION: Based upon the information available at the time the report was prepared, it is recommended that the zone change be approved.

This recommendation is based on the following findings:

1. The zoning, uses and character of the neighborhood: Property surrounding the application area contains a mix of zoning districts: SF-5, SF-20, TF-3 and LC. The predominate land uses are urban density and large lot residential. East of the site are large undeveloped tracts. The application area is located east of a large SF-5 zoned urban density single-family development. The property located immediately to the south was initially zoned SF-5 but was rezoned to TF-3, and developed with two-family residences.
2. The suitability of the subject property for the uses to which it has been restricted: The site has been zoned SF-5 since 2004, and has remained undeveloped. The SF-5 district is the most restrictive zoning district found in the City and limits use primarily to single-family residential uses and a few other civic or institutional uses such as churches or schools. Presumably the property would have been developed as currently zoned if the market was strong enough to support more single-family development.
3. Extent to which removal of the restrictions will detrimentally affect nearby property: As noted above, 18 platted lots located just south of the application area were rezoned to TF-3 in 2010. Approval of the request should not detrimentally impact nearby property owners.
4. Relative gain to the public health, safety and welfare as compared to the loss in value or the hardship imposed upon the applicant: Approval of the request will add the potential for additional two-family dwelling units to the Wichita housing market and increase housing choices. Denial would presumably represent a loss in economic opportunity to the applicant.
5. Conformance of the requested change to the adopted or recognized Comprehensive Plan and policies: The 2030 Wichita Functional Land Use Guide map depicts the site as appropriate for “urban residential” uses. The “urban residential” category includes the full diversity of residential development densities and types typically found in a large urban municipality, including: single detached homes, semi-detached homes, zero lot line units, patio homes, duplexes, townhomes and apartments as well as a wide range of special residential accommodations for the elderly.
6. Impact of the proposed development on community facilities: Required community facilities are either in place or have been guaranteed by the existing plat.

DALE MILLER, Planning Staff presented the Staff Report.

WILL CLEVINGER, RUGGLES AND BOHM, 924 N. MAIN, AGENT FOR THE APPLICANT said they believe the application is in conformance with Wichita-Sedgwick County Comprehensive Plan for residential use and fills A void in the market. He mentioned that SF-5 Single-family Residential zoning has not been supported in the area but that the TF-3 Two-family Residential zoning to the south was filled quickly so they believe this proposal is a good fit for the property.

ROBERT TOLLEY, 8220 E. OXFORD CIRCLE, WICHITA said he was present to speak on behalf of his parents who owned the small farm north of the proposed development. He read

a brief statement prepared by his parents. It said the property in question is already zoned for single-family homes and they don't feel there is a need for multi-family homes. The duplexes in question will bring even more traffic, noise and people to the area. It is a well known fact that homeowners tend to take pride in their land and neighborhood and by bringing in renters, they really don't feel that pride of ownership is going to continue. He said the community has had a downfall since development of the rental units. He noted that his family was not aware of the last proposed zoning change and that is why they were not present to voice an opinion on the request. He said they would like to see the site remain single-family homes. He said the family farm has been there 20 years and his parents make their livelihood from it. He said since development in the area, there has been a strain on the water table which is crucial to farming and livestock in the area. He said they have concerns on how the ground water is treated and polluted since they all share the aquifer. He said there is a noticeable difference in the taste of the water over the last couple of years, which they associate with development in the area. He said his family was the only ones notified of the requested zoning change. He said other homeowners that they spoke with said if they had more time, they would be here today. He asked why they weren't notified. He mentioned the berm between this area and his parent's farm which consisted of noxious weeds and thistle, which is spreading onto their farm which causes issues with harvesting. He said they know progress happens but they requested extra thought be given to keeping the site single family.

J. JOHNSON asked for staff comment about notification on the request.

MILLER commented that the site was just less than five acres and that everyone within 350 feet who was legally required to get notice of the proposal got notice.

FOSTER asked about the berm.

TOLLEY said it is a large mound covered with noxious weeds.

GOOLSBY commented that SF-5 Single-family Residential or TF-3 Two-family zoning wouldn't change the noxious weed issue.

TOLLEY responded that they believe the noxious weeds are a result of development in the area.

J. JOHNSON asked what kind of fencing was required between the farm and development.

MILLER said no fencing is required because both areas are zoned SF-5.

CLEVINGER commented that they believe the berm is between 5-6 feet tall. He said there are no private wells on the site, it will be developed with public water the same as the other single family residences in the area so there will be no change in well water with the requested zone change.

FOSTER asked for the status of the turf or vegetative cover on the berm.

CLEVINGER said he didn't know the answer to that question.

FOSTER asked about the conditions on the plat. He said typically some sort of cover or earth work is required on an acre or more.

CLEVENGER asked if that was cover for the existing site.

FOSTER said he understands the concern about thistle and weeds coming off of the berm. He asked staff if the developer should have addressed that and provided decent vegetative cover on the berm.

MILLER said he can't answer that question other than vegetation is required to keep sand and dirt from blowing and eroding. He said he didn't know if there was a code violation, Code Enforcement would have to check it out.

KLAUSMEYER asked about height requirements for the berm.

MILLER said the berm has to be the appropriate slope and width to keep it from eroding.

MOTION: To approve subject to staff recommendation.

B. JOHNSON moved, **GOOLSBY** seconded the motion.

FOSTER offered a substitute motion to provide for follow-up to verify that the status of the berm doesn't meet the original requirements of when the plat became effective.

MILLER said that was a Code Enforcement issue, but if the Commission made it part of the motion, staff would insure that Code Enforcement investigated.

KLAUSMEYER asked about a time frame and suggested before construction started.

MILLER explained that if the zoning case is approved by the Planning Commission it will take 35 days to go to City Council. He said he believes Code Enforcement can determine if there is a code violation within 35 days.

SUBSTITUTE MOTION: To approve subject to staff recommendation with the additional requirement that Code Enforcement inspect the berm.

FOSTER moved, **RAMSEY** seconded the motion, and it passed (9-0).



**INTEROFFICE
MEMORANDUM**

TO: Wichita City Council Members
FROM: Alana Haynes, Community Liaison
SUBJECT: **ZON2014-00005**: Tara Developer, LLC (Brett Orth) / Ruggles and Bohm, P.A.
(Will Clevenger)
DATE: June 4, 2014

On Tuesday, June 3, the District II Advisory Board considered a zoning change request from SF-5 Single family Residential (SF-5) to TF-3 Two-family Residential (TF-3) on 4.96 acres located north of East Pawnee Road and east of South 127th Street East.

Dale Miller, Metropolitan Area Planning Department, said the 14 day span for protests have not ended as of yet.

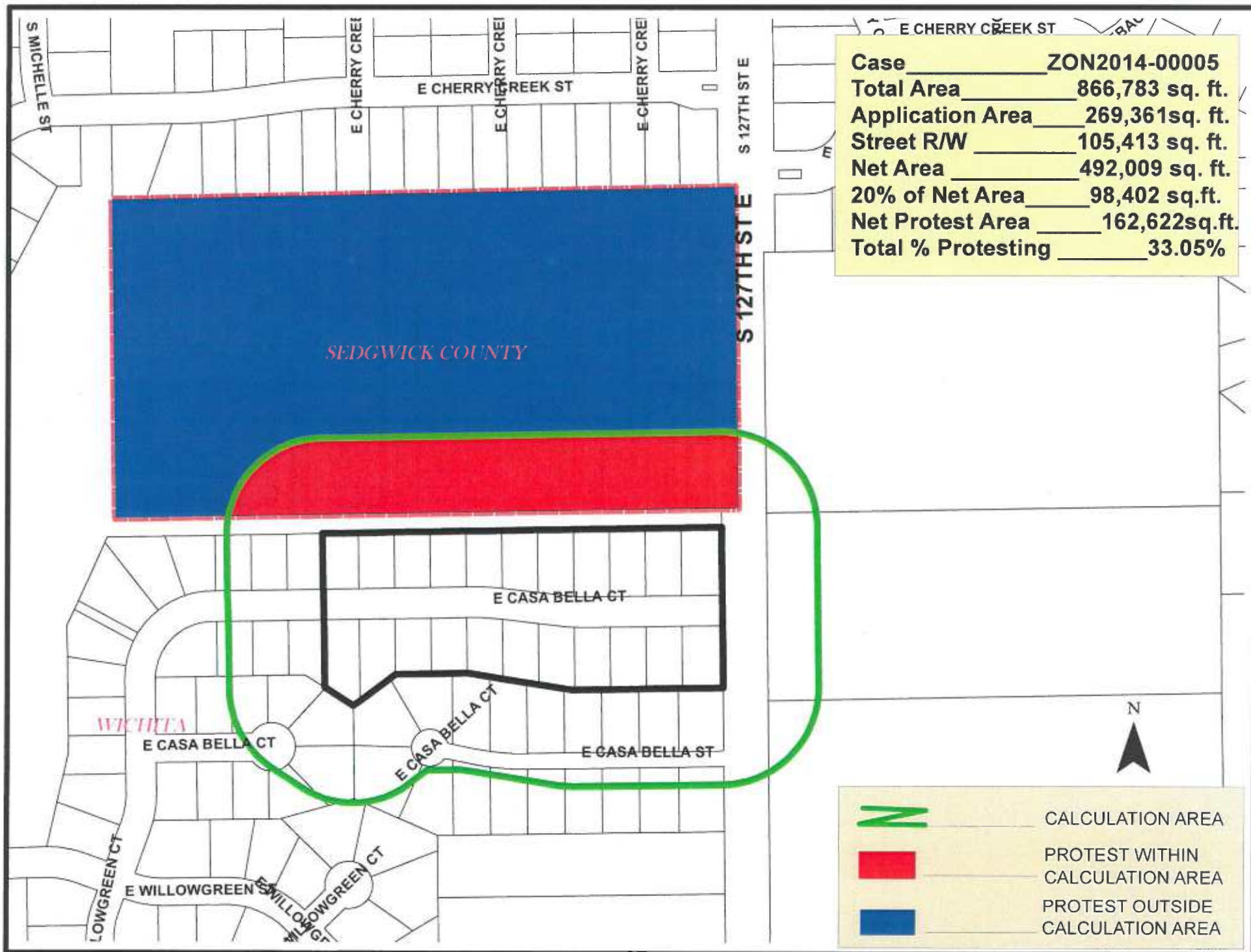
The DAB Members were provided the MAPD staff report for review.

DAB Members had the following questions:

- What is the distance for a notification to be issued? A: Notifications are sent out to residents that are within 200ft. of the property.
- Who owns the surrounding properties? A: The developer owns properties surrounding the lot; other properties are owned by Sisters of St. Joseph.
- Do you know the last time single-family homes were developed in the area? A: I am not sure.
- Will OCI work with citizens that have concerns of trash blowing on their property? A: Yes, OCI will work with people that are in the City as well as in the County.

The DAB members voted 7-0-1 to take no position. Motion carried. (1 DAB member Abstained)

Please review this information when **ZON2014-00005** is considered.



City of Wichita
City Council Meeting
July 1, 2014

TO: Mayor and City Council

SUBJECT: ZON2014-00006 – City Zone Change from SF-5 Single-Family Residential to TF-3 Two-Family Residential on Property Generally Located North of Central Avenue, East of Interstate Highway 235, on the West Side of Elder Street (District VI)

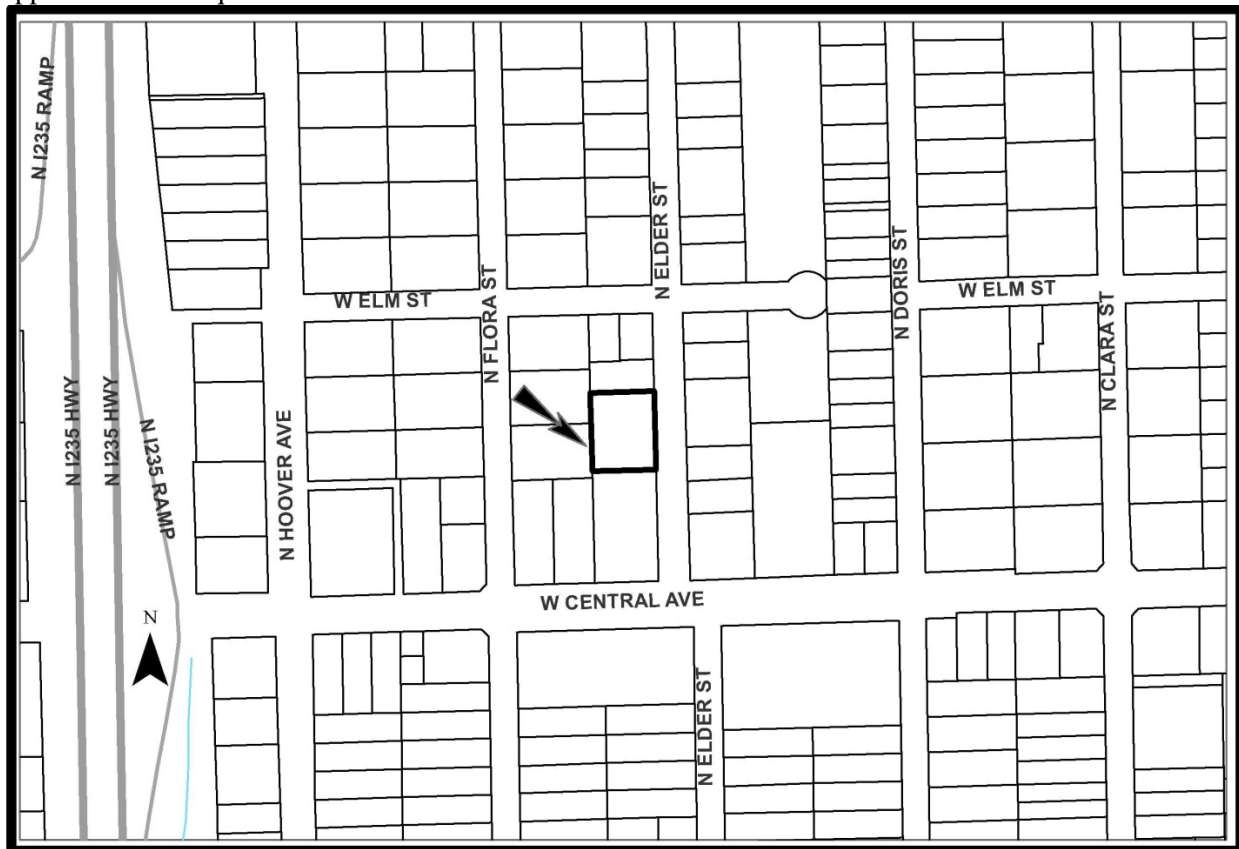
INITIATED BY: Metropolitan Area Planning Department

AGENDA: Planning (Non-Consent)

MAPC Recommendation: The MAPC recommended approval of the request (9-0).

DAB Recommendation: District Advisory Board VI recommended approval of the request (6-0).

MAPD Staff Recommendation: The Metropolitan Area Planning Department staff recommended approval of the request.



Background: The applicant is requesting TF-3 Two-Family Residential (TF-3) zoning on the platted 0.51-acre SF-5 Single-Family Residential (SF-5) zoned site. There is a vacant single-family residence (built 1952) located on the north half of the subject site. The applicant proposes to either tear down the single-family residence and build a duplex or convert the single-family residence into a duplex. The site is large enough for three duplexes, with two lot splits.

The site is located two blocks east of Interstate Highway 235 (I-235), north of Central Avenue on the west side of Elder Street. The area is zoned predominately LC Limited Commercial (LC) along both sides of the east-west arterial street, Central Avenue, with SF-5 zoned single-family residential neighborhoods developed behind the LC zoned small businesses. The subject site is located in one of these SF-5 zoned single-family residential neighborhoods. Some SF-5 zoning interrupts the LC zoning along Central Avenue as does two GC General Commercial (GC) zoned automobile paint and body shops. TF-3 zoned single-family residences and duplexes are scattered though out the single-family neighborhoods. Development in the immediate area around the site include SF-5 zoned single-family residences abutting the north and west sides of the site and adjacent (across Elder Street) to the site's east side. An LC zoned furniture store abuts the site's south side and TF-3 zoned single-family residences abut its west side. Most of the single-family residences in this area appear to have been built in the late 1940s through the 1950s. The immediate area's oldest single-family residence appears to be the abutting north single-family residence, built in 1925. There is also a vacant SF-5 zoned lot located north of the subject site.

Analysis: On May 21, 2014, District Advisory Board (DAB) VI voted 6-0 to approve the request. A protest letter from the abutting north property was included in the packet to DAB VI. The protester was requesting that a privacy fence be installed between her property and the subject site. The applicant agreed to install a 6-8 tall privacy between the two properties. This letter was the only protest presented at the DAB VI meeting.

On May 22, 2014, the Metropolitan Area Planning Commission (MAPC) considered the request. The protest letter from the abutting north property was included in the packet to MAPC. The applicant again agreed to install a 6-8 foot tall privacy fence between the two properties. The MAPC approved (9-0) the request with the addition of the installation of a 6-8 foot tall privacy fence between the two properties.

The protest letter was the only protest presented at the MAPC meeting and during the following two-week protest period. Planning has not received a letter withdrawing the protest, thus this case cannot be placed on the consent agenda. The protest represents 4.72 percent of the net land area located within the protest area. **Since** the protest represents less than 20 percent of the net land area located within the protest area, a simple majority vote is required to overturn the protest.

Financial Considerations: Approval of this request will not create any financial obligations for the City.

Legal Considerations: The Law Department has reviewed and approved the ordinance as to form.

Recommendation/Actions: It is recommended that the City Council: 1) Concur with the findings of the MAPC and approve the zoning, subject to the installation of a 6-8 foot tall privacy fence between the subject site and the abutting north property, and authorize the Mayor to sign the ordinance (requires a simple majority vote to override the protest); 2) Deny the zoning request by making alternative findings, and override the MAPC's recommendation (requires a two-thirds majority vote to override the MAPC's recommendation); 3) Return the case to the MAPC for further consideration with a statement specifying the basis for the Council's failure to approve or deny the application (requires a simple majority vote).

Attachments:

- Protest letter
- Protest map
- MAPC minutes
- DAB memo
- Ordinance

ORDINANCE NO. 49-775

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

BE IT ORDAINED BY THE GOVERNING BODY
OF THE CITY OF WICHITA, KANSAS.

SECTION 1. That having received a recommendation from the Planning Commission, and proper notice having been given and hearing held as provided by law and under authority and subject to the provisions of The Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended, the zoning classification or districts of the lands legally described hereby are changed as follows:

Case No. ZON2014-00006

Zone change from SF-5 Single-Family Residential ("SF-5") to TF-3 Two-Family Residential ("TF-3"), subject to the installation of a 6-8 foot tall privacy fence located between Lot 5, except the North 98 feet and except the West 65 feet of the North 100 feet, Harvey Patterson Addition and an approximately 0.51-acre property described as:

Lot 6, Harvey Patterson Addition, Wichita, Sedgwick County, Kansas; generally located on the north of Central Avenue, on the west side of Elder Street.

SECTION 2. That upon the taking effect of this ordinance, the above zoning changes shall be entered and shown on the "Official Zoning Map" previously adopted by reference, and said official zoning map is hereby reincorporated as a part of the Wichita -Sedgwick County Unified Zoning Code as amended.

SECTION 3. That this Ordinance shall take effect and be in force from and after its adoption and publication in the official City paper.

Carl Brewer - Mayor

ATTEST:

Karen Sublett, City Clerk

(SEAL)

Approved as to form: _____
Gary E. Rebenstorf, City Attorney

5-9-14
Fri.

Wichita-Sedgwick County
TO: Metropolitan Area Planning Department
ATTN: Bill Longnecker
TO: District Advisory Board VI (D.A.B.)
ATTN: JANET MILLER (City Counsel Rep)

RECEIVED
MAY 12 2014

BY: _____

TO WHOMEVER IT MAYBE OF CONCERN:

In regards to Case No: ZON2014-0006
Request for: City Zone Change from S-F-5
Single-family Residential to TF-3

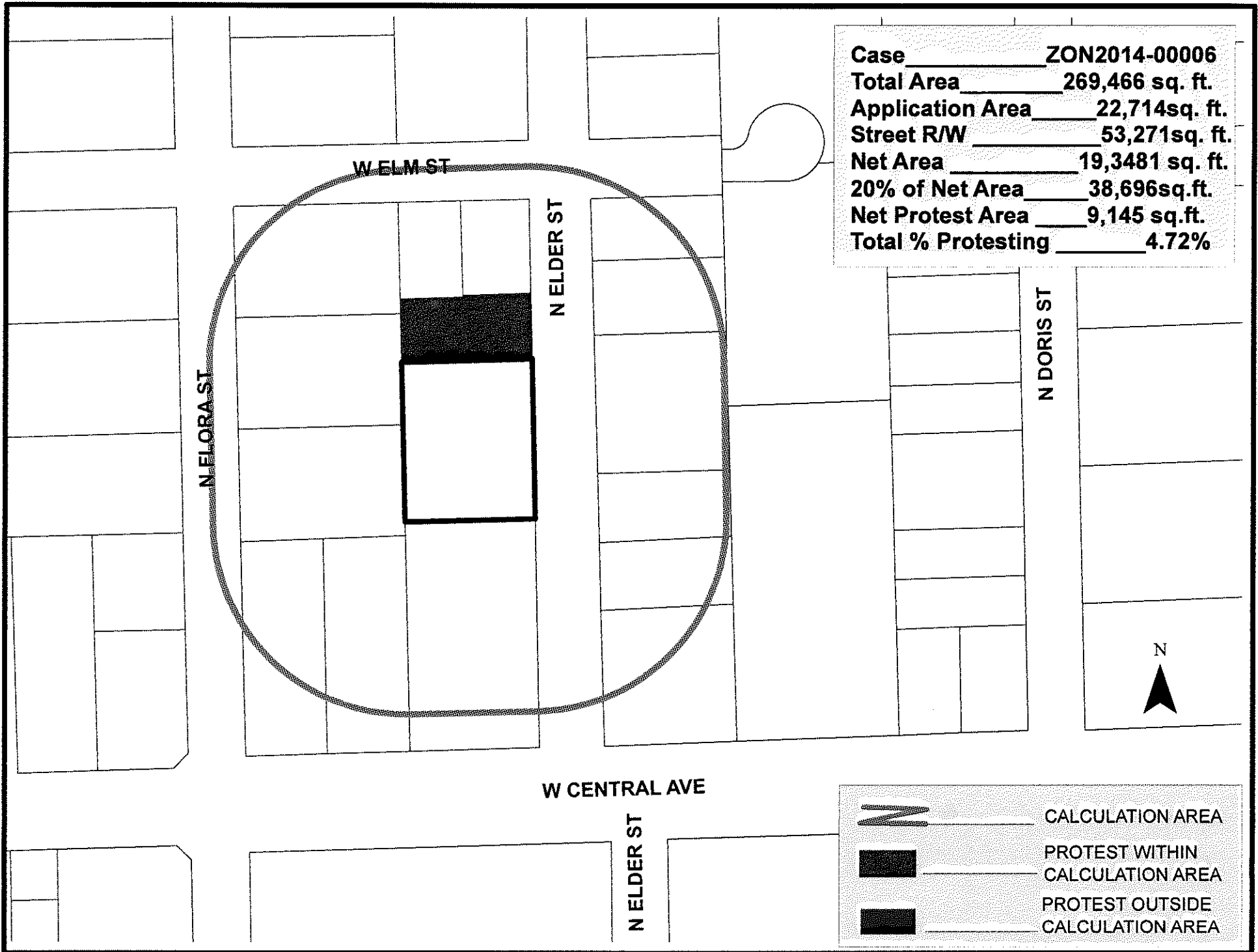
General Location: Two-family Residential on
property generally located north of Central Avenue,
east of I-235, on the west side of Elder Street
(717 N. Elder St.).

I Ms. Joyce A. Stuart, 725 N. Elder, Wichita,
Ks. 67212-2715 Request for a screening fence/6'
Privacy fence to be put up on the N. side of
717 N. Elder (City Boundry Marked), which is on
the S. side of my property (725 N. Elder) as
Cherry Orchard's / KIDS KORNER, 5318 W. CENTRAL,
Wichita, Ks. 67212, PH# (316) 854-2070. A screen-
ing fence/6' Privacy fence was put up on the
N. side of 5318 W. CENTRAL, being S. side of
717 N. Elder.

I was informed that it would be a DUPLEX
put up at 717 N. Elder, which means rentals,
and I'm not a rentor at 725 N. Elder, which is
a Big difference! I'm a widow of a Vietnam
Veteran and one time my property (725 N.
Elder) was the only property in this area
built in 1925, before all City boundries were
made. Plus, my neighbor Mr. Mork, Mathew G.

(Reverend) at 716 N. Elder St. told my eldest son Jacob that my property (725 N. Elder) used to be a church! I feel it is only fair of me to make such request! Should it come to ms. ROZELLA M. KEEVER ever Selling her property on the N. Side of mine (725 N. Elder) N. 98 FT Lot 5 EXC W. 65 FT THEREOF I would request the same of a Screening fence/6' Privacy fence be put on the N. side of my property (725 N. Elder) with City Boundry made, S. side of ms. ROZELLA M. Keever's property (N. 98 FT Lot 5 EXC W. 65 FT) beings she had to own the tree in front of my driveway at (725 N. ELDER). Her tree needs trimmed on her side and looks to be dying! I had my side trimmed, but request her side to be done AS well. HUFF's tree service said the tree was dying. MS. ROZELLA M. KEEVER PD my \$50.- COMP DEDUCTIBLE THROUGH MY AUTO INS. (AMERICAN FAMILY) WHEN A LG BRANCH WENT ALL THE WAY THROUGH THE FRNT TO BACK WINDOWS OF MY CORSSICA/BLEU I had then, caused from a storm. THANKS, TO the City for cutting down the tree by my driveway (725 N. Elder) yrs. ago. so I could park in my driveway. MS. ROZELLA M. KEEVER got upset with me on that one, because she said they were her trees when they belong to the City! \$5,000.00 FINE FOR PARKING IN MY YARD I DON'T HAVE, anymore than the \$2,000.00 MS. ROZELLA KEEVER wanted back then for her property (N. 98 FT LOT 5 EXC W. 65 FT THEREOF) NOW it's \$25,000.00 She wants! (RIDICULOUS!)

Sincerely,
Mr. Joyce A. Stuart



**EXCERPT MINUTES OF THE MAY 22, 2014 WICHITA-SEDGWICK COUNTY
METROPOLITAN AREA PLANNING COMMISSION HEARING**

Case No.: ZON2014-00006 - Jacob Management Company, LLC, c/o Craig Harms (applicant/owner) request a City zone change request from SF-5 Single-family Residential to TF-3 Two-family Residential on property described as:

BACKGROUND: The applicant is requesting TF-3 Two-Family Residential (TF-3) zoning on the platted 0.51-acre SF-5 Single-Family Residential (SF-5) zoned site. There is a vacant single-family residence (built 1952) on the north half of the subject site. The applicant proposes to either tear down the single-family residence and build a duplex or convert the single-family residence into a duplex. The site is large enough for three duplexes, with two lot splits.

The site is located two blocks east of Interstate Highway 235 (I-235), north of Central Avenue on the west side of Elder Street. The area is zoned predominately LC Limited Commercial (LC) along both sides of the east-west arterial street, Central Avenue, with SF-5 zoned single-family residential neighborhoods developed behind the LC zoned small businesses. The subject site is located in one of these SF-5 zoned single-family residential neighborhoods. Some SF-5 zoning interrupts the LC zoning along Central Avenue as does two GC General Commercial (GC) zoned automobile paint and body shops. TF-3 zoned single-family residences and duplexes are scattered though the single-family neighborhoods. Development in the immediate area around the site include SF-5 zoned single-family residences abutting the north and west sides of the site and adjacent (across Elder Street) to the site's east side. An LC zoned furniture store abuts the site's south side and TF-3 zoned single-family residences also abut its west side. Most of the single-family residences in this area appear to have been built in the late 1940s through the 1950s. The immediate area's oldest single-family residence appears to be the abutting north single-family residence, built in 1925. There is also a vacant SF-5 zoned lot located north of the subject site.

CASE HISTORY: The site is Lot 6, Harvey Patterson Addition, which was recorded with the Sedgwick County Register of Deeds August 1, 1951. Staff has received a letter protesting the proposed TF-3 zoning, which we have forwarded to the applicant; see attached letter.

ADJACENT ZONING AND LAND USE:

| | |
|------------------|--|
| NORTH: SF-5 | Single-family residences, a vacant lot |
| SOUTH: LC, SF-5 | Furniture store, single-family residence, retail |
| WEST: SF-5, TF-3 | Single-family residences |
| EAST: SF-5, PUD | Single-family residences, fitness center, day care |

PUBLIC SERVICES: Elder Street is a dirt and gravel residential street at this location. Approximately 280 feet south of the subject site, Elder Street intersects with Central Avenue, a four-lane arterial with a center turn lane at this location. All utilities are available to the site.

CONFORMANCE TO PLANS/POLICIES: The "2013 Land Use Guide of the Comprehensive Plan" (Plan) identifies the SF-5 zoned site as "urban residential." The urban residential category encompasses areas that reflect the full diversity of residential development densities and types typically found in large urban municipality. The Plan identifies SF-5 zoning as being compatible with the urban residential category. The SF-5 zoning district allows single-

family residential uses and parks, but not duplexes, by right. The site's requested TF-3 zoning is compatible with the Plan's urban residential category.

RECOMMENDATION: Based upon information available prior to the public hearings, planning staff recommends that the request be **APPROVED**. If more than one duplex is going to be built on the subject site a Lot Split reviewed and approved by the City will be required.

This recommendation is based on the following findings:

- (1) **The zoning, uses and character of the neighborhood:** The area is zoned predominately LC along both sides of the east-west arterial street, Central Avenue, with SF-5 zoned single-family residential neighborhoods developed behind the LC zoned small businesses. The subject site is located in one of these SF-5 zoned single-family residential neighborhoods. Some SF-5 zoning interrupts the LC zoning along Central Avenue as does two GC zoned automobile paint and body shops. Some TF-3 zoned single-family residences and duplexes are scattered though the single-family neighborhoods. Development in the immediate area around the site include SF-5 zoned single-family residences abutting the north and west sides of the site and adjacent (across Elder Street) to the site's east side. An LC zoned furniture store abuts the site's south side and a TF-3 zoned single-family residence also abuts the site's west side. Most of the single-family residences in this area appear to have been built in the late 1940s through the 1950s. The immediate area's oldest single-family residence appears to be the abutting north single-family residence, built in 1925. There is also a vacant SF-5 zoned lot located north of the subject site.
- (2) **The suitability of the subject property for the uses to which it has been restricted:** The site is currently zoned SF-5 and has a vacant single-family residence located on it. The SF-5 zoning permits the site's current use as a single-family residence.
- (3) **Extent to which removal of the restrictions will detrimentally affect nearby property:** The requested TF-3 zoning allows duplexes as well as single-family residences by right. The request would not introduce TF-3 zoning into the area, as a TF-3 zoned single-family residence abuts the west side of the site. There are also another three (3) TF-3 zoned single-family residences located one and two blocks west of the site.
- (4) **Relative gain to the public health, safety and welfare as compared to the loss in value or the hardship imposed upon the applicant:** Approval of the request would limit development by right to single-family residential, duplex, and some (but not limited to) institutional uses such as a parks, schools and churches. Denial of the request could impose a financial hardship on the owner.
- (5) **Conformance of the requested change to the adopted or recognized Comprehensive Plan and policies:** The "2013 Land Use Guide of the Comprehensive Plan" (Plan) identifies the SF-5 zoned site as "urban residential." The urban residential category encompasses areas that reflect the full diversity of residential development densities and types, including duplexes, typically found in large urban municipality. The Plan identifies SF-5 zoning as being compatible with the urban residential category. The SF-5 zoning district allows single-family residential uses and parks, but not duplexes, by right. The site's requested TF-3 zoning is compatible with the Plan's urban residential category.

- (6) **Impact of the proposed development on community facilities:** All services are in place, and any increased demand on community facilities can be handled by current infrastructure.

BILL LONGNECKER, Planning Staff presented the Staff Report.

He reported that the DAB approved the application unanimously. He referred to the letter from the adjoining neighbor provided with the application packet. He said the applicant has seen the letter and has told staff and the DAB that he has no objection to installing a 6-foot privacy fence between the rezoning site and the single family residence to the north, although it is not a zoning requirement.

FOSTER said he had a question for the applicant or agent.

CRAIG HARMS, JACOB MANAGEMENT COMPANY, LLC, 906 N. MAIN STREET, commented that they acquired the dilapidated property and feel that two-family residential may be an appropriate use.

FOSTER asked the applicant if he was in agreement with staff comments regarding the fencing.

HARMS said yes, he received a copy of the letter from the neighbor to the north and they have no problem providing a 6-foot privacy fence between the two sites. He said they are willing to work with the homeowner on the length of the fence.

MOTION: To approve subject to staff recommendation with the addition of a 6-foot privacy fence.

DENNIS moved, **B. JOHNSON** seconded the motion, and it carried (9-0).



**INTEROFFICE
MEMORANDUM**

TO: City Council
FROM: Martha Sanchez, Community Liaison, District VI
SUBJECT: **ZON2014-00006**: Jacob Management Company, LLC, c/o Craig Harms (applicant/owner) have requested a zone change from SF-5 Single –Family Residential to TF-3 Two-Family Residential
DATE: May 21, 2014

On Wednesday, May 21, 2014 the District VI Advisory Board considered a request for a zone change from SF-5 Single-Family Residential to TF-3 Two-Family Residential, generally located north of central and west of N. Elder (717 N. Elder).

The DAB Members were provided with the MAPD staff report and the MAPC letter of approval.

Bill Longnecker, MAPD explained that the zone change SF-5 Single-Family Residential to TF-3 Two-Family Residential is for the construction of a duplex. The platted 0.51 acre site is large enough for three duplexes, with two lot splits. The subject site is within the character of the single-family neighborhood and will not create a negative visual impact.

The DAB members voted 6-0 to recommend approval in concurrent with the MAPC findings.

Please review this information when **ZON2014-00006** is considered.

City of Wichita
City Council Meeting
July 1, 2014

TO: Wichita Airport Authority

SUBJECT: Food and Beverage Concession and Lease Agreement
New Terminal
Wichita Mid-Continent Airport

INITIATED BY: Department of Airports

AGENDA: Wichita Airport Authority (Non-Consent)

Recommendation: Approve the agreement.

Background: Requests for Proposals (RFP) from experienced airport food and beverage (F&B) concessionaires were sought this spring to serve as the prime F&B operator for the new Airport terminal. Advertisements were placed in the Wichita Eagle and several national publications that are oriented towards the airport concession industry and minority businesses specializing in airport opportunities. In addition, a targeted distribution advising of the RFP was sent to a large list of local and national firms which had previously expressed interest in this type of opportunity. A responsive and responsible proposal from MSE Branded Foods (MSE) from Gainesville (Atlanta-area), GA was received. MSE was founded in 1987 and specializes in food and beverage operations at small hub airports similar in size to Wichita, as well as in malls, hospitals, universities, and hotels. References provided by the airport directors at five locations where MSE currently operates reported outstanding customer service, high quality operations, responsiveness to airport and customer needs, and good financial returns to the airports.

Following an in-person presentation and interview with MSE's president and the chief financial officer, a Special Screening and Selection Committee unanimously recommended the selection of MSE to be the prime food and beverage concessionaire for the new Airport terminal when it opens next spring. The selection committee included the City Manager and three members of the Airport Advisory Board, in addition to staff. The committee confirmed that MSE met all requirements set forth in the RFP with respect to achieving the goals of the concession program, such as the proposed brands and concepts, local brand participation, the amount of capital investment, quality and theme of restaurant and facility design, the financial offer regarding percentage commissions paid to the Airport, and the company's experience and quality of past performance at other airports. At its June 2, 2014, meeting, the Airport Advisory Board voted unanimously to approve the selection of MSE and to recommend to the Wichita Airport Authority (WAA) that the agreement be approved.

Analysis: MSE's food and beverage concepts will include a mixture of major and popular national brands, along with strong locally-themed restaurants. Subject to final operational discussions with MSE and completion of design efforts, it is anticipated that on opening day of the new terminal, MSE will provide food and beverage units at five separate locations as described below:

- A pre-security aviation-themed café will be located just inside the main terminal entrance on the ground floor, and will be accessible by meeters and greeters and Airport employees and anyone not desiring to go through the security checkpoint. The café will offer a wide array of baked goods, breakfast sandwiches, Dunkin' Donuts coffee, grab-and-go items, fresh made-

to-order sandwiches, wraps, appetizers, pizzas, and salads. A bar will complement the location, which will reflect an aviation concept.

- Just past the Transportation Security Administration security checkpoint, the center Food Court area across from Gate 5 will prominently feature a variety of offerings. The quick-service walk-up counter offerings will include Chick-fil-A and Dunkin' Donuts, two of the most popular brands nationwide. Chick-fil-A will offer a variety of its classic chicken sandwiches, in both a breakfast and an all-day menu. Dunkin' Donuts will offer a variety of popular coffees, pastries, bagels, donuts, breakfast sandwiches, and beverages. There is room for future expansion and additional brand offerings in the Food Court when customer demand dictates.
- Next to the Food Court, MSE will operate Wichita's own River City Brewing Company, which will provide a casual dining option with fresh, local brews along with a sit-down restaurant menu of appetizers, salads, soups, sandwiches, grilled items, pizzas, burgers, desserts, and other pub food.
- In a prime location for aircraft viewing in the center concourse across from the Food Court and next to Gate 5, the Air Capital Bar will provide a full-service bar and a light menu of appetizers, sandwiches, wraps, and fresh pizzas.
- On the concourse northwest end across from Gate 2, MSE will operate a Grab and Fly unit which will feature breakfast sandwiches, fresh baked goods, Dunkin' Donuts coffee, and a selection of sandwiches and other grab-and-go items for those on a short time schedule.

MSE's contract commits the firm to charging customers no more than "local area street pricing" plus 10% for menu items. There are also financial penalties in the contract in the event of specific customer service issues that are not corrected. Any significant menu changes, or any concept/brand changes, proposed during the term of the contract require the specific approval of the Director of Airports.

Financial Considerations: MSE has formed a Kansas corporation, MSE Branded Foods of Wichita, LLC, to operate the facilities at the Airport. The term of the lease agreement with MSE is a base period of 10 years, with a five-year option to renew. MSE will pay the Airport an annual minimum guarantee of \$300,000 or a percentage of gross sales (whichever is higher) that starts at 10% for food and non-alcoholic beverage items and 12% on alcoholic beverages. There is a sliding scale by which the commission percentage increases up to 15% for food sales and 16% for alcoholic beverage sales, as gross sales increase through several different thresholds.

Since the majority of its food and beverage locations will be post-security, MSE projects that, based upon current passenger traffic forecast assumptions, it will create gross sales of approximately \$5.20 per passenger in year one, versus the Airport's current concessionaire's gross sales of approximately \$3.70 per passenger. Based upon the above commission percentages, the anticipated payments to the Airport should exceed the minimum annual guarantee of \$300,000. MSE will make a minimum capital investment for facility build-out in the public-facing food service units of \$350 per square foot, which equates to approximately \$3.1 million paid by the concessionaire.

The Federal Aviation Administration has approved the WAA's Airport Concession Disadvantaged Business Enterprise (ACDBE) program and goal of 4.5%, which was calculated in accordance with Title 49 of the Code of Federal Regulations, Part 23 (49 CFR 23). The regulations prohibit the use of local ACDBE preferences and set-asides in the WAA's program. MSE has committed to meeting or exceeding the ACDBE goal through the use of a business partner, Taylor Foodservice, LLC (Taylor), which is a Kansas certified ACDBE firm. Taylor has invested its own funds to obtain no less than a 5% ownership share of MSE Branded Foods of Wichita, LLC.

MSE has also partnered with a local firm to operate a branded River City Brewing Company (River City) franchise in the terminal. MSE will pay a license fee to River City of no less than 4% of gross sales produced in the restaurant.

Legal Considerations: The Law Department has reviewed and approved the agreement as to form.

Recommendations/Actions: It is recommended that the Wichita Airport Authority approve the agreement and authorize the necessary signatures.

Attachments: Food and Beverage Concession and Lease Agreement.

EXHIBITS:

Exhibit A... Premises

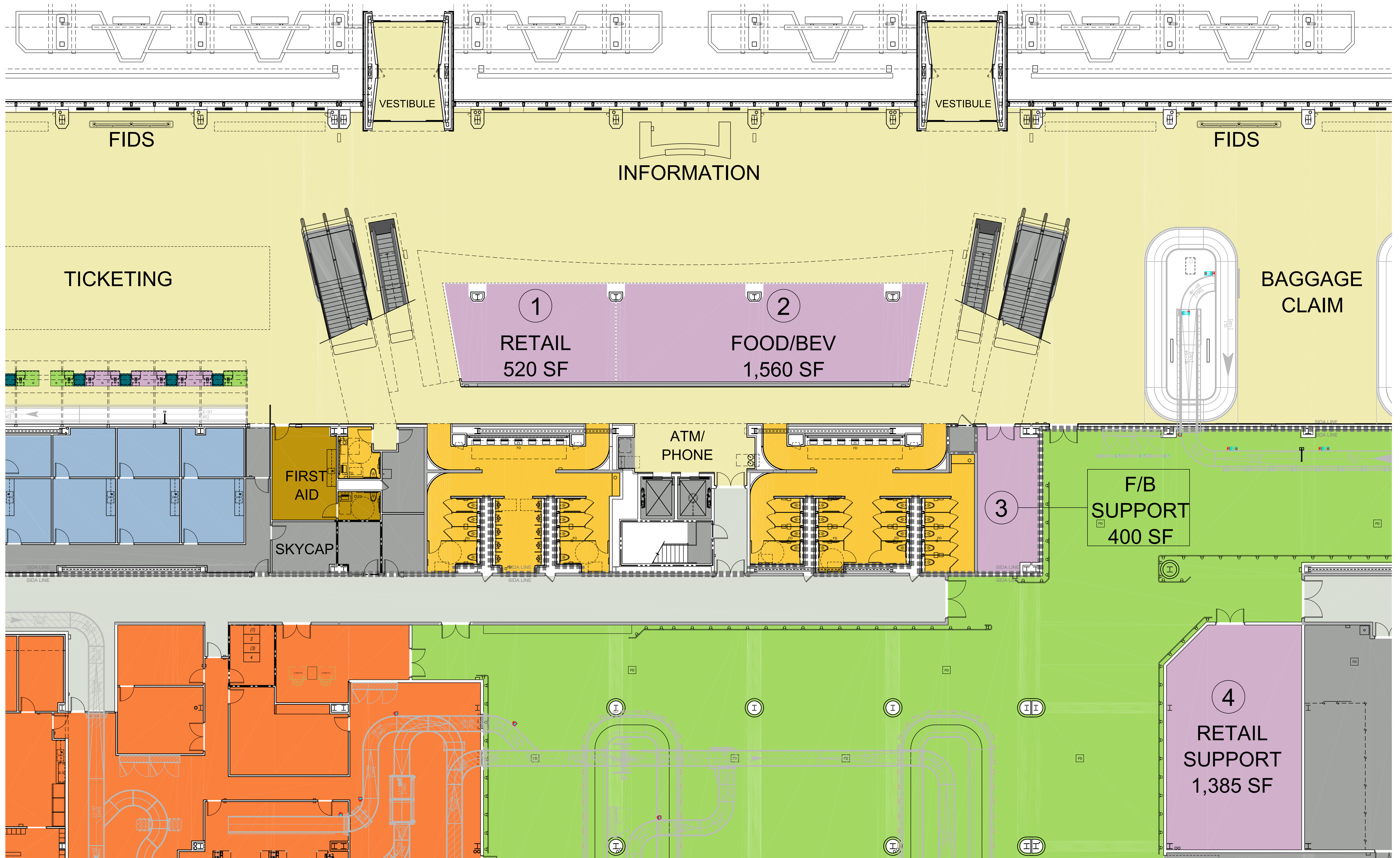
Exhibit B.....Gross Revenue Report

Exhibit C.....Tenant Construction and Alteration Process Manual
Incorporated by reference (Provided in the original RFP)

Exhibit D.....Approved Menus

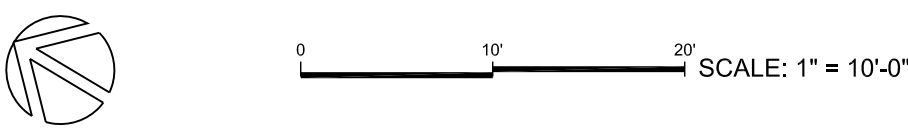
Exhibit E..... Request for Proposals Response – Incorporated by reference

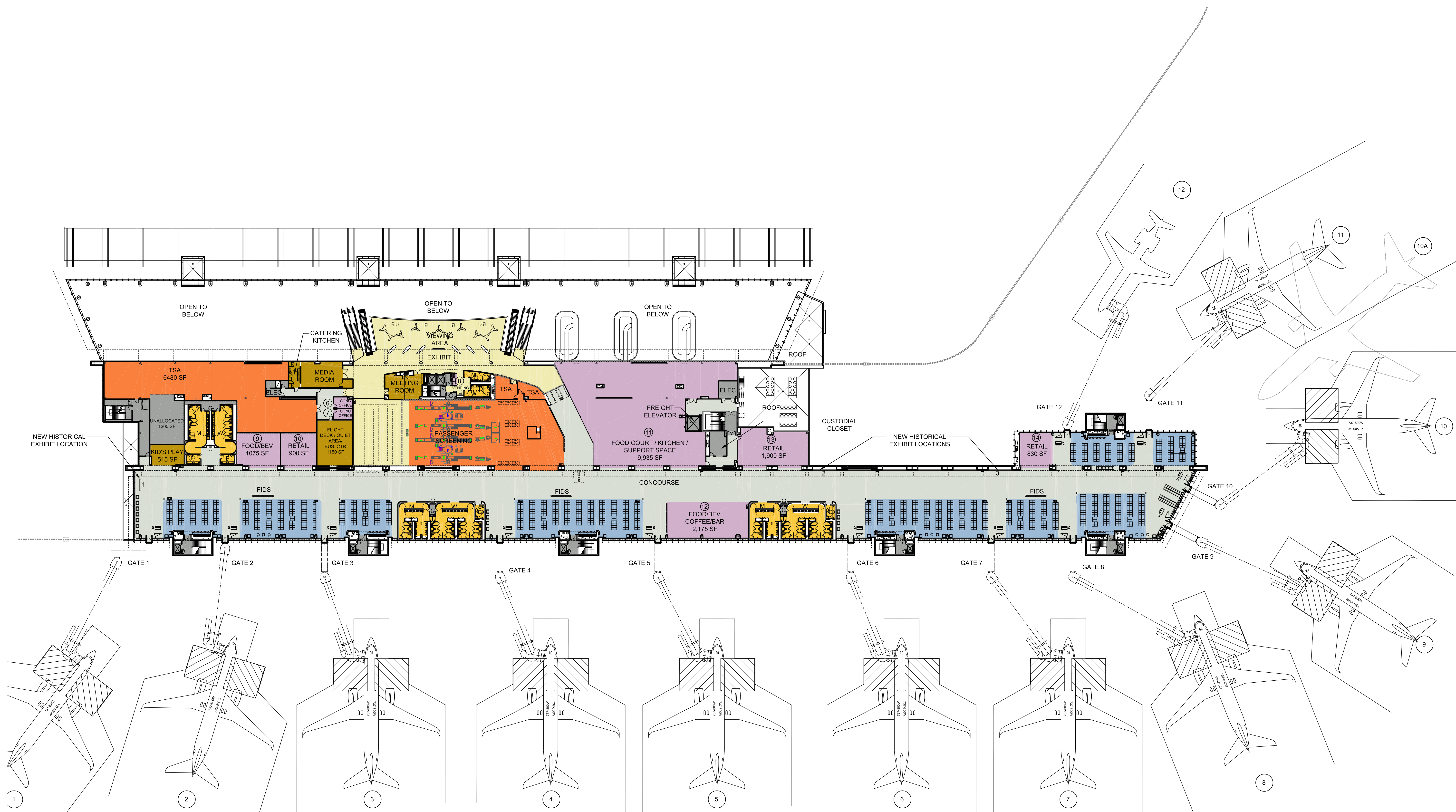
Exhibit F.....CONCESSIONAIRE’s Proposal



DATE: 01/29/2014

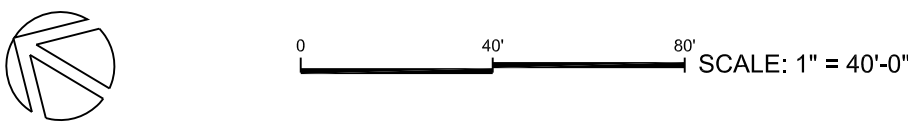
WICHITA MID-CONTINENT AIRPORT LEVEL 1 - CONCESSIONS

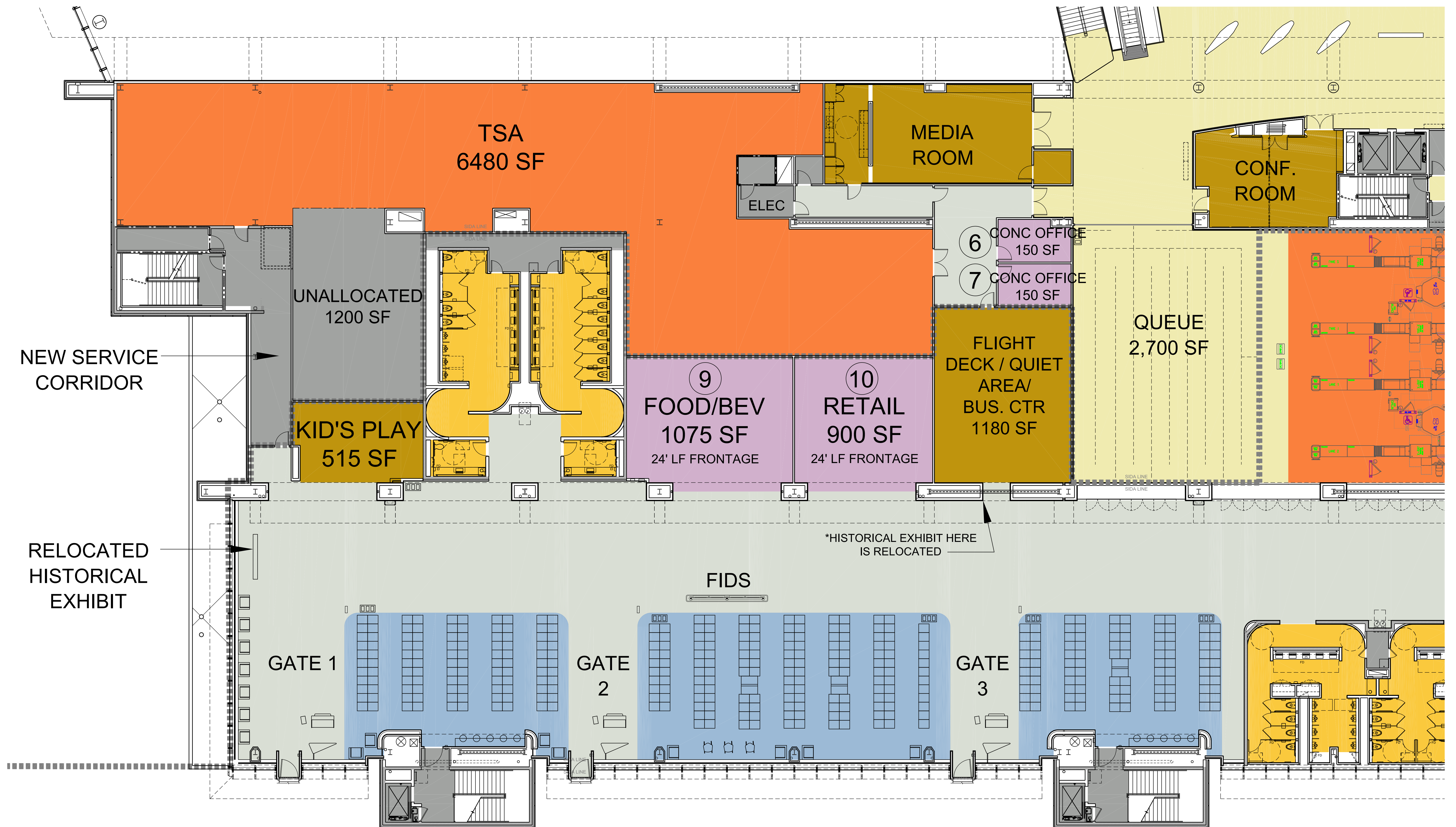




DATE: 01/29/2014

WICHITA MID-CONTINENT AIRPORT LEVEL 2



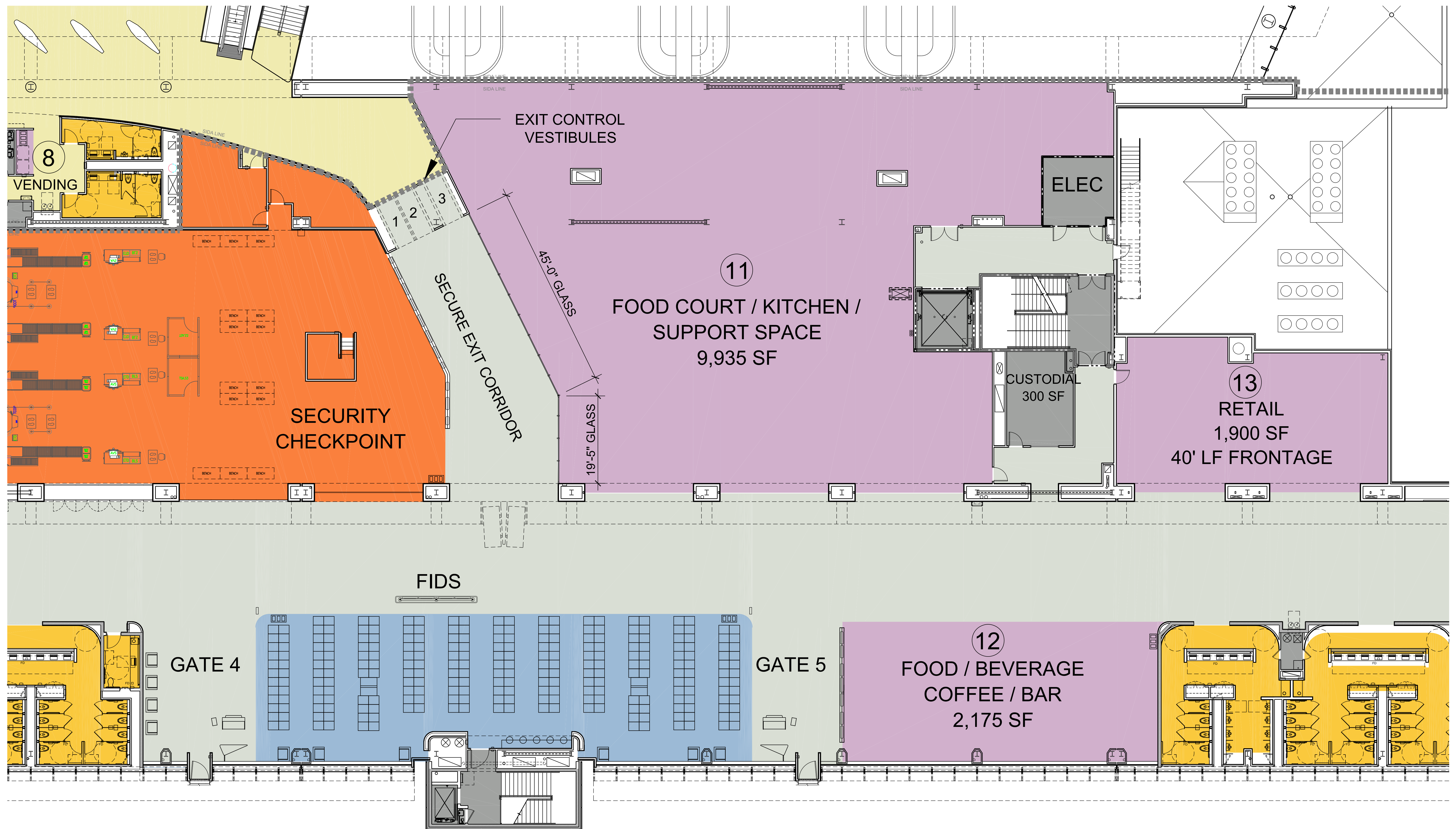


DATE: 01/29/2014

WICHITA MID-CONTINENT AIRPORT LEVEL 2 - WEST CONCOURSE



0 10' 20' SCALE: 1" = 10'-0"



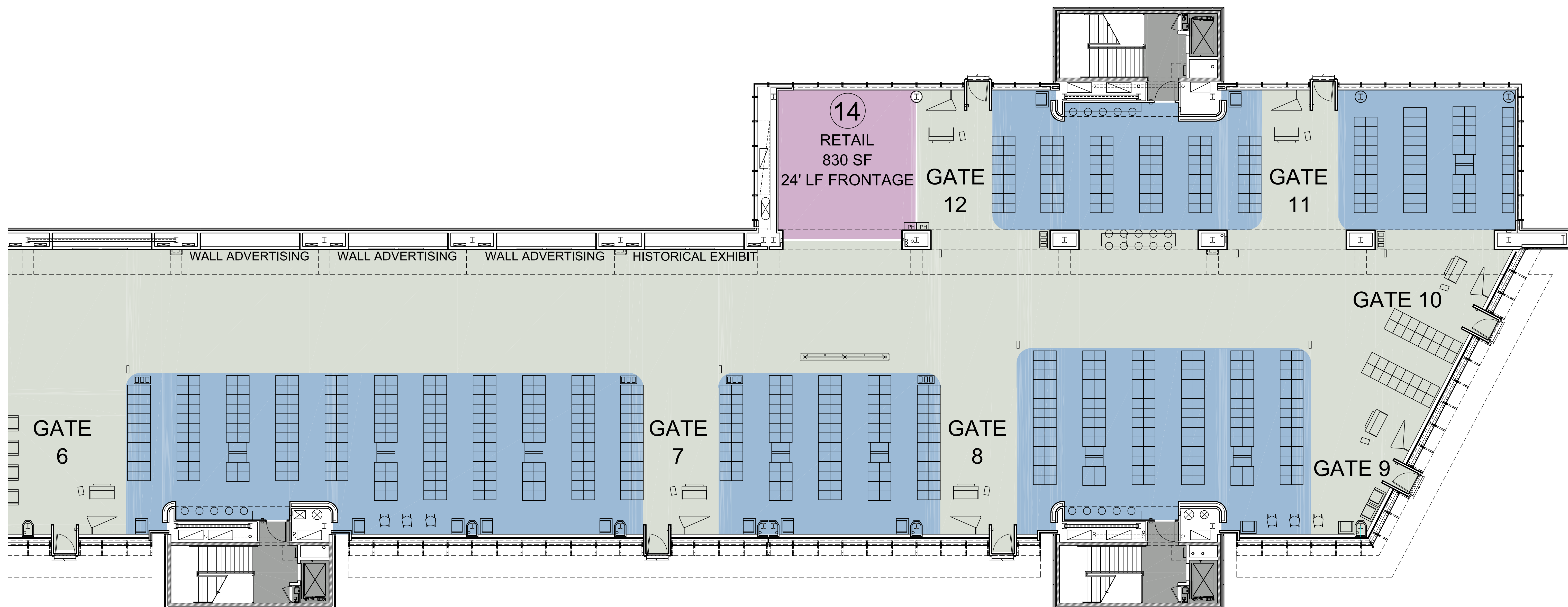
DATE: 01/29/2014

WICHITA MID-CONTINENT AIRPORT LEVEL 2 - CENTRAL CONCESSIONS



0 10' 20' SCALE: 1" = 10'-0"

SIDA LINE
SIDA LINE



DATE: 01/29/2014

WICHITA MID-CONTINENT AIRPORT LEVEL 2 - EAST CONCOURSE



0 10' 20' SCALE: 1" = 10'-0"



Wichita Airport Authority
Wichita Mid-Continent Airport
Statement of Sales
For the Month Ended:_____

| Space # | Food & Non Alcoholic Beverage | Current Period Sales | Rate % | Amount Due | Liquor, Beer, and Wine | Current Period Sales | Rate % | Amount Due | Total |
|-----------------------------------|-------------------------------|----------------------|--------|------------|------------------------|----------------------|--------|-------------|-------|
| 2 | | | | | | | | | |
| 9 | | | | | | | | | |
| 11 | | | | | | | | | |
| 12 | | | | | | | | | |
| | | | | | | | | | |
| <u>Payment</u> | | | | | | | | | |
| Concession Fees | | | | | | | | | |
| Minimum Rental | | | | | | | | | |
| Balance Due and Remitted Herewith | | | | | | | | Grand Total | |



CAFE

BREAKFAST

| | |
|-----------------------------------|--------|
| Quick Start Bagel Sandwich | \$3.99 |
| Turkey Bacon Flatbread | \$5.49 |
| Smoked Sausage Croissant Sandwich | \$3.99 |
| Breakfast Burrito | \$3.99 |

BAKED GOODS

| | |
|---------------------|--------|
| Fresh Baked Muffins | \$2.89 |
| A variety of Bagels | \$1.99 |
| Assorted Scones | \$2.69 |
| Assorted Donuts | \$1.49 |
| Cinnamon Rolls | \$2.89 |
| Fresh Baked Cookies | \$1.49 |

GRAB N' GO

| | |
|------------------------------|--------|
| A variety of Yogurt Flavors | \$2.29 |
| Fresh Granola Parfait | \$3.95 |
| Morning Harvest Oatmeal | \$2.99 |
| Apple Slices Cup | \$3.99 |
| Seasonal Mixed Fruit Cup | \$3.99 |
| Mixed Grape Cup | \$3.99 |
| Mixed Melon Cup | \$3.99 |
| Strawberry/Blueberry Mix Cup | \$3.99 |
| Fruit & Yogurt Cup | \$6.59 |

BEVERAGES

A full line of bottled drinks including water, juices and energy drinks.

An assortment of fountain soft drinks.

A full service bar featuring a variety of wine and bottled and draft beers.



APPETIZERS

| | |
|---------------------------|--------|
| Fajita Chicken Quesadilla | \$7.49 |
| Buffalo Chicken Wings | \$6.99 |
| Salad Trio | \$8.49 |

WRAPS & SALADS

| | |
|-------------------------------|--------|
| Club Wrap | \$5.99 |
| Chicken Caesar Wrap | \$5.99 |
| Southwest Veggie Wrap | \$5.49 |
| Chef Salad | \$6.99 |
| Grilled Chicken Caesar Salad | \$6.99 |
| Grilled Chicken Harvest Salad | \$7.29 |


PERSONAL PIZZA

| | |
|-----------|--------|
| Supreme | \$5.99 |
| Pepperoni | \$5.49 |
| Cheese | \$4.99 |

HOT & TOASTY SANDWICHES

| | |
|-------------------------|--------|
| 1/3lb. Hamburger | \$4.19 |
| 1/3lb. Cheeseburger | \$4.49 |
| 1/4lb. Hot Dog | \$3.69 |
| French Dip Sandwich | \$6.49 |
| Chicken Philly Sandwich | \$6.49 |
| Hot Ham & Swiss | \$5.99 |
| Honey Dijon Turkey | \$5.99 |



 Healthy, vegetarian, or gluten free



Breakfast

| | |
|--|--------|
| Biscuit with Chick-fil-A Chicken | \$2.49 |
| Biscuit with Chick-fil-A Chicken & Egg | \$3.19 |
| Biscuit with Chick-fil-A Chicken, Egg & Cheese | \$3.49 |
| Biscuit with Bacon | \$2.19 |
| Biscuit with Bacon & Egg | \$2.79 |
| Biscuit with Bacon, Egg & Cheese | \$3.19 |
| Biscuit with Egg | \$1.69 |
| Biscuit with Sausage | \$2.19 |
| Biscuit with Sausage & Egg | \$2.79 |
| Biscuit with Sausage, Egg & Cheese | \$3.19 |
| Hash Browns | \$1.29 |

Chick-Fil-A Classics

| | |
|--|--------|
| Chick-fil-A Sandwich | \$3.69 |
| Chick-fil-A Sandwich Deluxe | \$3.99 |
| Chick-fil-A Chargrilled Chicken Sandwich  | \$4.49 |
| Chick-fil-A Nuggets | \$3.69 |
| Chick-fil-A Chargrilled Chicken Nuggets  | \$3.99 |
| Chick-fil-A Chargrilled Chicken Garden Salad  | \$6.99 |
| Chick-fil-A Waffle Potato Fries | \$1.89 |
| Chick-fil-A Cole Slaw | \$1.59 |





Kid's Meals

Includes a drink and waffle fries or a fruit cup

| | |
|---|--------|
| Chick-fil-A Nuggets | \$3.99 |
| Chick-fil-A Chargrilled Chicken Nuggets  | \$4.29 |

Beverages

| | |
|---|--------|
| Chick-fil-A Fresh Squeezed Lemonade | \$1.99 |
| Soft Drinks | \$1.89 |
| Chick-fil-A Coffee | \$1.79 |
| 2% Milk  | \$1.69 |
| Variety of Bottled Juice  | \$1.89 |

 Healthy, vegetarian, or gluten free





Beverages

Coffee

| | Shot / Box | S | M | L | XL |
|-------------------|------------|------|------|------|------|
| Hot Coffee | | 1.89 | 2.19 | 2.39 | 2.59 |
| Iced Coffee | | 2.39 | 2.79 | 2.99 | |
| Espresso Shot | 1.19 | | | | |
| Turbo: Add a shot | 0.89 | | | | |
| Box O' Joe | 18.19 | | | | |
| Pound of Coffee | | | 9.69 | | |

Specialty Coffee

| | S | M | L |
|-----------------------------|------|------|------|
| Hot Latte (Regular/ Lite) | 2.39 | 2.99 | 3.69 |
| Iced Latte (Regular / Lite) | 2.99 | 3.69 | 4.19 |
| Cappuccino | | | |

Other Beverages

| | 9 oz. | S | M | L | XL |
|----------------------|-------|------|------|------|----|
| Hot Winter Beverages | | 2.09 | 2.39 | 2.59 | |
| Hot Tea | | 1.89 | 2.19 | 2.39 | |
| Iced Tea | | 2.39 | 2.79 | 2.99 | |
| Coolatta | | 3.39 | 4.19 | 4.79 | |

Bottled Beverages

| | |
|--------|------|
| Soda | 2.19 |
| Juice | 2.79 |
| Energy | 2.99 |

Combos

Coffee Combos

| | S | M | L | XL |
|------------------------------------|---|------|------|------|
| 2 Donuts / Coffee | | 4.09 | | |
| Muffin / Coffee | | 3.89 | | |
| Bagel / Cream Cheese / Coffee | | 4.39 | | |
| Egg, Cheese, Meat Sandwich, Coffee | | 5.39 | | |
| Egg White Flatbread / Coffee | | 5.39 | | |
| Make it a Large | | | 0.30 | |
| Make it an Extra Large | | | | 0.45 |

PM Combos w/ Iced Coffee / Iced Tea

| | |
|--------------------------|------|
| Grilled Cheese Flatbread | 5.99 |
| Flatbread w / Meat | 6.59 |
| Premium Flatbread | 6.99 |

Food

Anytime Breakfast

| | Single |
|----------------------|--------|
| Donut | 1.19 |
| Munchkins | |
| Bagel | 1.39 |
| Bagel / Cream Cheese | 2.39 |
| Bagel Twist | 1.89 |
| Muffin | 2.09 |

Breakfast Sandwich

| | |
|---------------------|------|
| | 1.59 |
| Wake Up Wrap | 1.89 |
| Wake Up Wrap / Meat | 2.99 |
| Egg and Cheese | 3.79 |
| Egg, Cheese, Meat | 1.69 |
| Sausage Biscuit | |
| Chicken Biscuit | |

Egg White Flatbread Sandwich

| | |
|---------|------|
| Veggie | 3.79 |
| W/ Meat | 3.79 |

Hash Browns

| | |
|--------------|------|
| Combo Add-on | 1.29 |
| Standalone | 1.69 |

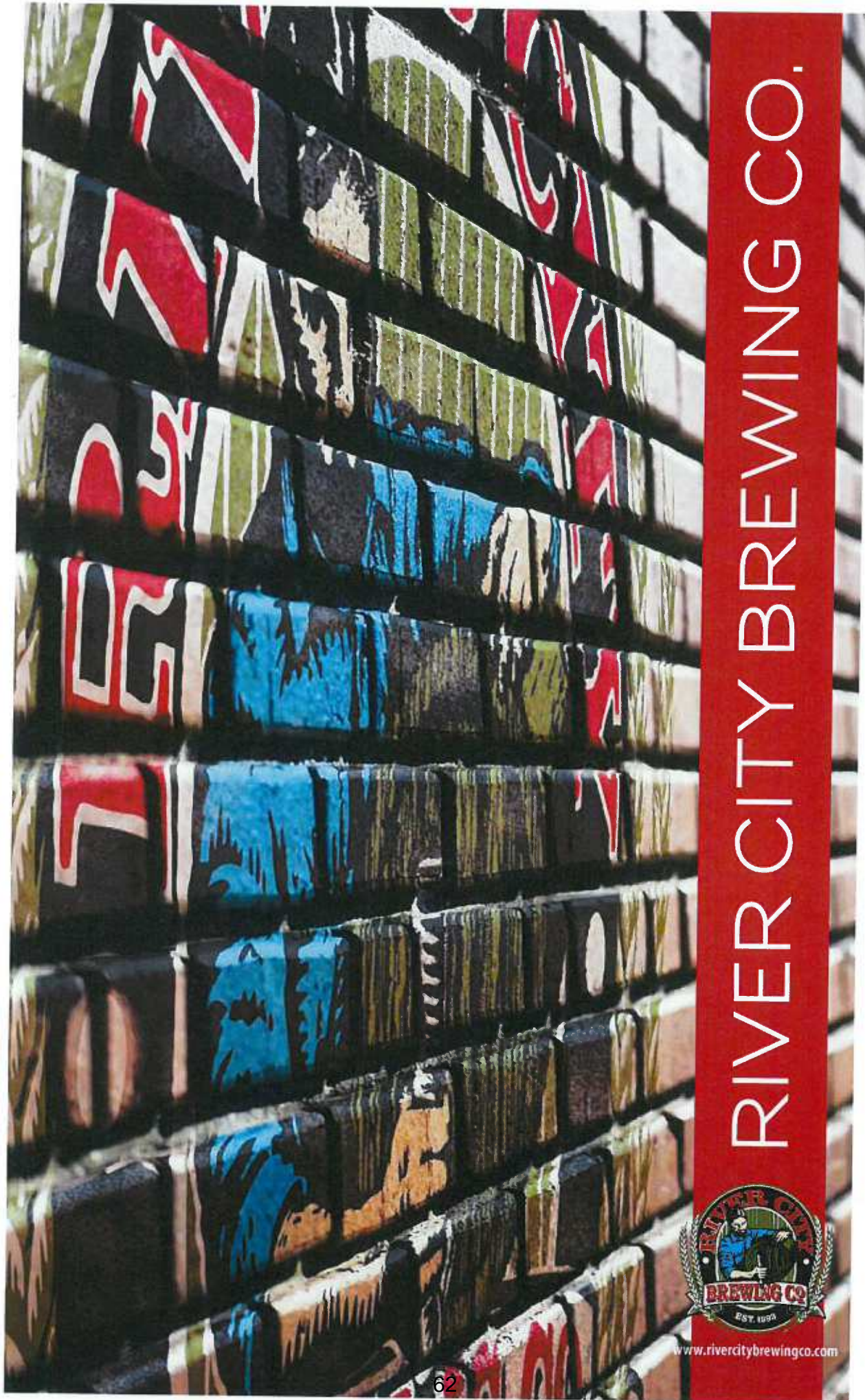
Other Bakery

| | Single |
|--------------------------------------|--------|
| Fancy / Coffee Roll / Danish | 1.89 |
| Croissant / English Muffin / Biscuit | 1.49 |
| Cookie | 1.39 |

Anytime Eating

| | |
|--------------------|------|
| Flatbread Sandwich | |
| Grilled Cheese | 3.79 |
| Flatbread w/ Meat | 4.39 |
| Premium Flatbread | 4.79 |





RIVER CITY BREWING CO.



www.rivercitybrewingco.com



APPETIZERS

GOES GREAT WITH YOUR CHOICE OF BEER BEFORE YOUR MEAL

Spinach & Artichoke Dip

Warm spinach dip served with toasted bread, tortilla chips, mozzarella cheese and fresh diced tomatoes tossed in olive oil and basil. — 8.79

Chipotle BBQ Chicken Wings

Grilled and tossed in our homemade Chipotle BBQ sauce and served with carrot sticks and ranch dressing. — 10.49

Cactus Queso

A creamy blend of cheeses and spices served hot with fresh tortilla chips. — 7.69

Twelve Pack of Buffalo Wings

Jumbo chicken wings fried & tossed in traditional hot sauce and served with celery sticks and homemade Wisconsin Blue Cheese Dressing. — 9.50

Chips N Salsa

A basket full of homemade tortilla chips served with homemade fire roasted salsa. — 4.69

Quesadilla

Chicken Ranchero, cheddar and Monterrey Jack cheese in a flour tortilla. We serve it with sour cream and salsa. — 9.39

Buffalo Chicken Dip

The perfect blend of cheeses, spices, chicken and hot sauce served with celery sticks and tortilla chips for dipping. — 8.79

SALADS

Add Avocado Relish for \$1.99 | Additional dressing 60¢

Fried Chicken Salad

Hand breaded and fried chicken tenderloins atop fresh mixed greens with chopped egg, cherry tomatoes, cucumbers, shaved red onion and cheese. Served with honey mustard dressing. — 9.89

Fajita Chicken Salad

Southwestern seasoned and grilled chicken breast resting on top of fresh greens, cheddar and Jack cheese blend, cherry tomatoes, Black Bean Corn Relish and corn tortilla chips. Served with cool ranch dressing and fire roasted salsa. — 9.89

Greek Chicken Salad

Crisp salad mix with cucumbers, cherry tomatoes, kalamata olives, red onions, pepperoncini and feta cheese served with Greek vinaigrette. — 9.89

Garden Salad

Fresh crisp greens, red onion, cherry tomatoes, cucumbers and crispy croutons. — 4.99
+ grilled chicken for 2.29

Soup & Salad

A fresh garden salad and a cup of your choice of Chicken Noodle or our Soup of the Day. — 7.69

Buffalo Chicken Salad

Grilled Buffalo style chicken on a bed of fresh greens with cucumber, bell peppers, celery sticks and blue cheese crumbles. — 9.39
Fried Buffalo Chicken Salad — 10.99

Shrimp Salad

Seasoned shrimp on fresh greens with avocado, tomato, cucumber, peppers, queso fresco and choice of dressing. — 10.99

SOUPS

Soup of the day

Our favorite concoctions made fresh daily just for you. Cup — 3.99 Bowl — 4.99

Homemade Chicken & Noodle

Sure to make you feel all warm inside. Made fresh daily with homemade noodles and the perfect blend of spices. Cup — 3.99 Bowl — 4.99

Add a cup of soup or Side salad for \$1.99 with any Entree, Pasta, Sandwich or Burger!

NOT YOUR MAMA'S MAC

Mac N Cheese

Big shell pasta tossed in our homemade creamy cheese sauce and topped with toasted bread crumbs. Ask around...it's kinda famous. — 9.19

Fried Chicken Mac

Our famous Mac N Cheese topped with one of our hand breaded chicken tenders. — 11.59

Buffalo Mac

Toss our hand breaded chicken tender in buffalo sauce and lay it on top of our famous mac n cheese topped with fresh blue cheese crumbles. — 11.99

Broccoli Mac

Steamed broccoli tossed into our original Mac N Cheese. It's cheese and broccoli gone wild. — 10.49

Spicy Shrimp Mac

Shell pasta and creamy cheese sauce tossed with chipotle sauteed shrimp. — 11.99



SIDES

| | |
|-----------------------|-----------------|
| Cottage Cheese | 1 ⁹⁹ |
| Beer Bread | 1 ⁹⁹ |
| Mashed Potato | 1 ⁹⁹ |
| Cole Slaw | 1 ⁹⁹ |
| Cilantro Lime Rice | 1 ⁹⁹ |
| Roasted Baby Potatoes | 1 ⁹⁹ |
| Broccoli | 1 ⁹⁹ |

ADDITIONAL SAUCES AND DRESSINGS 60¢ EACH

BATTERED & BREADED

River City Fish & Chips

Flaky white Cod beer battered and fried golden. Served in a basket of seasoned waffle cut fries, slaw and homemade tartar. —13.19

Country Fried Steak

Fresh cubed steak hand breaded, fried and slathered in country style white gravy. Served with mashed potatoes and market fresh veggies. —13.19

Chicken Tenders

We dip them in fresh buttermilk, roll them in seasoned flour and fry them to a crispy perfection. Served in a basket with rough-cut fries, white gravy and choice of sauce. — 10.99
Make them buffalo style for \$1⁰⁰

STRAIGHT OFF THE GRILL

ADD 10 CHIPOTLE SAUTEED SHRIMP FOR \$4

Our very best recommendations

Top Sirloin*

Marinated in a blend of spices, grilled the way you like it and topped with Blue Cheese Chive butter and served with roasted baby potatoes and veggies. — 16.99

Cowboy Ribeye*

Rubbed with our signature ancho chile seasoning and served with roasted baby potatoes and veggies. — 23.99

Big Sid's Baby Back Ribs

Slow smoked to tender perfection, basted in our tangy sweet BBQ sauce & served with rough-cut fries.
Whole rack — 19.79
Half rack — 14.29

Herb Marinated Chicken

Marinated in herbs and wheat beer, grilled and served with roasted potatoes and veggies. — 11.99

Bone-In Pork Chop

Grilled and paired with brown ale mustard cream sauce, roasted potatoes and veggie. — 16.49

Grilled Salmon

Seasoned to be a little spicy and served with a cool cilantro lime rice and veggie. — 16.49

Grilled Tilapia

Seasoned and grilled then topped with cucumber relish with cilantro lime rice and veggies. — 14.29

Grilled Fish Tacos

Topped with shredded lettuce, avocado relish, queso fresco and a chipotle cream sauce on corn/flour tortillas. — 10.99

Shrimp Tacos

Chipotle seasoned shrimp, shredded lettuce, avocado relish, queso fresco and cilantro lime cream sauce on corn/ flour tortillas. — 11.99

PIZZAS

MAKE IT A BEER CRUST PIZZA FOR \$1.⁰⁰

The Greek

Fresh baby spinach, kalamata olives, shaved red onions, sliced mushrooms, diced tomatoes, mozzarella, feta, and provolone cheeses and drizzled with virgin olive oil. — 10.99

The Italian

Spicy Italian sausage, thinly sliced pepperoni, mozzarella & provolone cheese. — 9.89

The Manhattan

Sausage, pepperoni, mushrooms, diced tomatoes, red onions, kalamata olives, Provolone & Mozzarella cheese on a crisp crust. — 10.99

The Kansan

Ground beef, bacon, spicy sausage, pepperoni and melted cheeses. — 11.59

The Sicilian

Our famous crispy thin crust, tangy sauce, melted cheese and a truckload of pepperoni. — 9.89

Buffalo Chicken Pizza

Our special sauce, Mozzarella cheese and buffalo chicken topped with blue cheese crumbles and green onion. — 11.59

BBQ Chicken

Fajita chicken, onions, pepperocinis, bacon and Big Rick's BBQ sauce. — 11.99

Ranch Chicken

Homemade ranch dressing, tender chicken and crispy bacon topped with freshly grated Mozzarella and Provolone cheese. — 11.99

Tomato Basil Pizza

Very simple, homemade red sauce, tomatoes, mozzarella cheese and fresh basil. — 9.89

Beer Brat Pizza

Sliced beer brats slow cooked in IPA, beer braised onions, roasted red peppers and mozzarella cheese on homemade beer crust. — 11.99

18% gratuity will be added to groups of 8 or more.

BURGERS

ADD AVOCADO RELISH FOR \$1.79

ALL BURGERS SERVED WITH ROUGH-CUT FRIES, LETTUCE, TOMATO, ONION AND PICKLE. ADD BACON TO ANY BURGER FOR — 70¢

Classic Burger*

A half pound fresh patty grilled and served with your choice of cheese. — 9.89

Mushroom Swiss Burger*

Our classic burger topped with sautéed mushrooms and melted swiss cheese. — 10.59

Blue Burger*

A half pound burger rubbed with southwest spices and topped with fresh Blue Cheese crumbles. — 10.59

Bourbon Bacon Cheese Burger*

A juicy grilled hamburger patty glazed with bourbon sauce topped with bacon, cheese, tomato & onion on sourdough bread. — 10.59

Memphis Burger

Topped with sweet pepper bacon, cheddar cheese, crispy onion strings and chipotle BBQ sauce. — 10.99

Black Bean Veggie Burger

Grilled and topped with monterrey jack cheese and Black Bean Corn Relish. — 9.39

Adobo Burger*

A fresh 1/2 pound burger marinated in wheat beer and chipotles, topped with lettuce, tomato and drizzled with cilantro-lime sauce. — 10.59

Beer Cheese Burger*

Seasoned, grilled and topped with fried onion strings, lettuce, tomato and beer cheese sauce. — 10.99

SANDWICHES

ALL SANDWICHES SERVED WITH ROUGH-CUT FRIES & DILL PICKLE. ADD AVOCADO RELISH FOR \$1.79

Brewben

Tender slices of slow roasted corned beef, sauerkraut, melted swiss cheese topped with our fresh made Thousand Island dressing. Served on toasted marble rye bread. — 9.89

French Dip

Thinly shaved roasted beef topped with swiss cheese and caramelized onions on a sourdough hoagie. — 9.89

My Big Fat Greek Wrap*

Tender chicken, tomatoes, kalamata olives, crisp greens, cucumbers, pepperoncini and feta cheese tossed in a Greek Vinaigrette then rolled up in a flour tortilla and served with fries. — 9.89

Buffalo Chicken Sandwich

Grilled chicken tossed in buffalo sauce served on a butter roasted bun with lettuce and tomato topped with fresh blue cheese crumbles. — 10.49
Make it a fried buffalo chicken sandwich — 10.99

Turkey Wrap

Seasoned bacon, turkey, lettuce, tomato, Mozzarella cheese and mayonnaise wrapped in a sun dried flour tortilla. — 9.89

Fajita Wrap

Back by popular demand with salsa ranch, seasoned chicken, black bean & corn relish, tomato, lettuce and cheddar jack cheese. — 9.89

Cuban Sandwich

Pork loin and ham with spicy slaw, pickles and Old Town Brown Mustard. — 9.89

Artichoke Chicken Sandwich

Tender grilled chicken topped with a creamy blend of spinach and artichokes on focaccia bread. — 10.99

Beer Cheese Steak Sandwich

Tender shaved beef, onions, mushrooms and peppers topped with homemade beer cheese sauce. — 9.89

DESSERTS

Stout Brownie

A rich chocolate brownie made with our stout ale and topped with chocolate ganache and salty pretzels over homemade vanilla stout ice cream. — 5⁰⁰

Bread Pudding

Homemade bread pudding slathered in vanilla stout anglaise. — 5⁰⁰

Vanilla Stout Float

Homemade stout ice cream floating in a glass of vanilla stout ale. Must be 21 to enjoy. Ice Cream made by Bocconcini. — 6⁰⁰

Maricela's Flan Cake

Moist yellow cake topped with Maricela's famous Flan and topped with caramel sauce. — 5⁰⁰



Like us on Facebook to keep up with upcoming events and specials.



Find us on:
facebook.



Don't forget to join us upstairs at Loft 150 for drinks, great live entertainment or a private room perfect for your special event or company party. Just ask for a manager to give you a tour and provide you with more information.

If in anyway your visit to River City Brewing Co. wasn't satisfactory or up to your expectations, or you just want to tell me how great it was, I encourage you to call me, Chris Arnold, owner/operator at 316-263-2739 or send me an email to carold@rivercitybrewingco.com.

I would love to hear from you.

**Consuming raw or undercooked food may increase the risk of foodborne illness.*

OUR HISTORY

In a grand return to Kansas brewing tradition, the River City Brewing Co. opened its doors in March 1993. River City is the first brewpub in Wichita and only the third brewery to open in Kansas in well over half a century. Handcrafted beer, fresh food and a relaxed atmosphere are the cornerstones of the River City operation.

Tradition is important to us here at the Brewery. We chose this location because it reflects our heritage and helps renew our state's brewing tradition. In addition, its cobblestone surroundings and gigantic timber beams create the perfect setting for what many might consider the quintessential Midwest brewpub. A sense of history helps us keep our feet on the ground and gives us a place in time. For River City, we have found our home in a building that has supported the livelihoods of thousands of families since the early part of the century. The three-story building to the South was built by the Bennett Paint Company in 1905 for all of 12,000. By 1909, our two-story structure had been added and the company had changed its name to the Hockaday Paint Company.

In ensuing years the building was home for the Lehman-Higginson Grocery Company and tanners James C. Smith Hide Company and the J.R. Johnston Hide Company. In fact, the words "Hides", "Furs" and "Pelts" are still faintly distinguishable beneath the second floor windows on our west side. Most recently, the building was one of several housing the Southwest Paper Company, a Wichita tradition in its own right, having served our community since 1938.

History does not stop at our building's walls, however. Craftmaster Jimmy Lytton, with the assistance of Kenny Potter and Donnie Washington have built our entryway from leaded glass windows recovered from the old Vickers mansion in Wichita. The wood for the bar came out of the old Salvation Army building on Douglas. They built the wainscot from timbers and flooring saved the wrecker's ball in the Axtell house of southern Jackson County Kansas. Much of the wood trim and materials for our booths was garnered from soon-to-be demolished homes on Quality Hill in Kansas City. The pews used in our booth seats originally held devoted members of a church in Cheney where we also found the lights overhead. Jimmy claims the bench just inside our door was reclaimed from a Dodge City saloon, but he is not sure which one. (Although the cigarette burns on the arms tend to support his story.)

The menu not only reflects Kansas's heritage with the inclusion of Kansas raised beef but also includes great pastas, seafood, salads, sandwiches and unique pizzas. Time-proven techniques for making everything from stocks and soups to pizza dough and custards are employed by our professional kitchen staff.



At River City Brewing Co. we strive to bring you the freshest, most flavorful beer possible. We are constantly trying to push the envelope to bring you unique and interesting beers from The Brewmaster's Menu and Firkin Thursday's, so that your palate will never be bored at RCBC! Cheers.

Daniel Norton - Head Brewer - RCBC



Harvester Wheat

5.0 %alc. 12 I.B.U.'s

An unfiltered American Wheat Beer. Wheat malt flavor with a medium, delicate body. Smooth, and easy drinking, this beer is left unfiltered and hazy so the yeast can add all it's goodness!



Tornado Alley I.P.A.

7.0 %alc. 70 I.B.U.'s

An American India Pale Ale. Copper in color, big malty flavors intermingled with 70 I.B.U.'s worth of Centennial Hops, which add nice grapefruit citrus notes in the flavor and aroma! Hop Heads unite!!



Rock Island Red

6.0 %alc. 27 I.B.U.'s

An American Amber Ale. Brewed with 3 different types of caramel malt to add it's distinct Amber hues and toasted caramel malt flavor. Cascade Hops round out the flavor with a nice hoppy finish!



Old Town Brown

5.5 %alc. 24 I.B.U.'s

An American Brown Ale. Brewed with both caramel malt, and dark roasted malts, which add a deep, rich, mahogany color. Roasted, nutty flavor with a hint of coffee in the finish. East Kent Goldings Hops balance out the malt flavors! Dark in color, but light in body...A very easy drinking dark beer!



Emerald City Stout

5.7 %alc. 21 I.B.U.'s

An Irish Style Stout. Dark chocolate and espresso flavors blended into creamy goodness by the process of Nitrogenation, instead of carbonation! Smooth and creamy, dark and roasty, this Stout makes a great dessert beer, or a comforting companion on a winter's day!

Sample Platter

Try all 8 of our hand-crafted beers in 1 sitting, without having the police called on you! - 9⁵⁰

**** Please ask your server about our current Seasonal, Brewer's Choice, and High Gravity offerings on tap!

**** A new, cask conditioned creation EVERY Thursday night at 6pm on "Firkin Thursday's"



Appetizers

| | |
|---------------------------|--------|
| Fajita Chicken Quesadilla | \$7.49 |
| Buffalo Chicken Wings | \$6.99 |
| Salad Trio | \$8.49 |

Wraps & Salads

| | |
|-------------------------------|--|
| Club Wrap | \$5.99 |
| Chicken Caesar Wrap | \$5.99 |
| Southwest Veggie Wrap | \$5.49  |
| Chef Salad | \$6.99  |
| Grilled Chicken Caesar Salad | \$6.99  |
| Grilled Chicken Harvest Salad | \$7.29  |



Beverages

A full line of bottled drinks including water, juices and energy drinks.

An assortment of fountain soft drinks.

A full service bar featuring a variety of wine, bottled and draft beers, and premium liquors.



Personal Pizza

| | |
|-----------|--------|
| Supreme | \$5.99 |
| Pepperoni | \$5.49 |
| Cheese | \$4.99 |

Hot & Toasty Sandwiches

| | |
|-------------------------|--------|
| 1/3lb. Hamburger | \$4.19 |
| 1/3lb. Cheeseburger | \$4.49 |
| 1/4lb. Hot Dog | \$3.69 |
| French Dip Sandwich | \$6.49 |
| Chicken Philly Sandwich | \$6.49 |
| Hot Ham & Swiss | \$5.99 |
| Honey Dijon Turkey | \$5.99 |

 Healthy, vegetarian, or gluten free

Grab and Fly



Breakfast

| | |
|-----------------------------------|--------|
| Quick Start Bagel Sandwich | \$3.99 |
| Smoked Sausage Croissant Sandwich | \$3.99 |

Baked Goods

| | |
|---------------------|--------|
| Fresh Baked Muffins | \$2.89 |
| A variety of Bagels | \$1.99 |
| Assorted Scones | \$2.69 |
| Assorted Donuts | \$1.49 |
| Cinnamon Rolls | \$2.89 |
| Fresh Baked Cookies | \$1.49 |



Wraps, Salads, & Sandwiches

Grab n' Go

| | |
|------------------------------|--------|
| A variety of Yogurt Flavors | \$2.29 |
| Fresh Granola Parfait | \$3.95 |
| Morning Harvest Oatmeal | \$2.99 |
| Apple Slices Cup | \$3.99 |
| Seasonal Mixed Fruit Cup | \$3.99 |
| Mixed Grape Cup | \$3.99 |
| Mixed Melon Cup | \$3.99 |
| Strawberry/Blueberry Mix Cup | \$3.99 |
| Fruit & Yogurt Cup | \$6.59 |

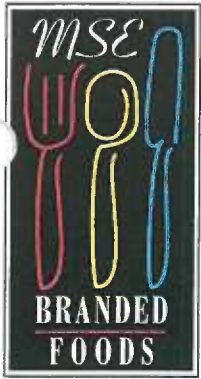
| | |
|-------------------------------|--------|
| Club Wrap | \$5.99 |
| Chicken Caesar Wrap | \$5.99 |
| Southwest Veggie Wrap | \$5.49 |
| Chef Salad | \$6.99 |
| Grilled Chicken Caesar Salad | \$6.99 |
| Grilled Chicken Harvest Salad | \$7.29 |
| Ham & Swiss Sandwich | \$5.99 |
| Honey Dijon Turkey Sandwich | \$5.99 |

Beverages

A full line of bottled drinks including water, juices, and energy drinks.



Healthy, vegetarian, or gluten free



May 8, 2014

Ms. Melinda Walker
Purchasing Manager
Finance Department – Purchasing
City of Wichita
455 N. Main, 12th Floor
Wichita, KS 67202

RE: Request for Proposal #FP440014
Food and Beverage Concessions

Dear Ms. Walker:

Thank you for affording MSE Branded Foods the opportunity to submit our proposal to operate the Food and Beverage Concession Program at Wichita Mid-Continent Airport (ICT).

In the referenced RFP the Wichita Airport Authority lists goals that include "Creating a sense of place", "Developing attractive store designs that complement the Terminal's décor" and "Enhancing the Customer Experience".

In response, MSE Branded Foods has created a lineup featuring a well-known local establishment and two of the nation's most powerful QSR brands, all operated by a management company with a successful track record of brand management experience specifically in the small hub airport concession market, all of which uniquely qualifies MSE to meet and exceed your expectations throughout the term of the operating agreement.

As the "inventor of the chicken-sandwich", **Chick-fil-A®** has grown well beyond its Southern roots and is now a dominant player nationwide. In 2013, **Chick-fil-A®** was ranked number one in the quick-service restaurant industry in per store average sales. MSE has a long history successfully operating this brand, demonstrated by having been honored multiple times for operational excellence. In selecting this brand, we feel confident that the restaurant will be well run, very popular with the travelling public and airline and airport employees alike, and as a result will "Enhance the Customer Experience" at ICT.

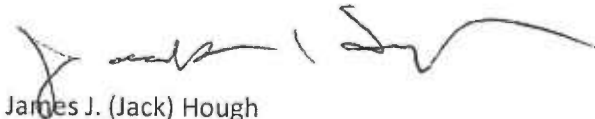
Dunkin' Donuts® has been making donuts since 1950 and is America's largest retailer of coffee-by-the-cup, serving nearly 1 billion cups of brewed coffee each year. The Dunkin' Donuts® menu will include a variety of

donuts, muffins, bagels, croissants, oven toasted breakfast sandwiches, and specialty hot and cold coffee drinks. Brewpubs are among the top favorites of the air travelling public due to their reputation for great food and intriguing local flavor. Tying in with the local community, we have formed a partnership with The River City Brewing Co. Located in the heart of historic Old Town, River City was the first brewpub ever to open in Wichita and today is the only 1 of 3 still open. For over two decades this local favorite has been serving refreshing hand crafted ales and palate-pleasing recipes. River City's menu not only reflects Kansas' heritage served with the inclusion of buffalo and Kansas raised beef but also includes great pastas, seafood, salads, sandwiches and unique pizzas. A custom breakfast menu will be added and will be designed specifically for the ICT traveler who only has a narrow window of time before hearing the call to board their flight.

Finally, MSE's business philosophy is very simple and straightforward. We strive constantly to provide superior customer service in an attractive and visually appealing environment, while always serving only the highest quality products. At MSE, we recognize that we are a direct reflection on the airports we serve and we take this responsibility seriously.

Once again, we sincerely appreciate the opportunity to submit this proposal and await the chance to bring this exciting concept to life at Wichita Mid-Continent Airport.

Sincerely,



James J. (Jack) Hough
President

Executive Summary

- Over Twenty Five Years of Retail Foodservice Experience
- Over seventy-five concessions in fourteen locations, including five **small hub airports**
- Proven success in Small Hub markets – strong track record of increased sales per enplanement, on average 55%!
- Direct involvement by Senior Corporate Management, including **President Jack Hough**
- A demonstrated ability of providing **Best in the Industry** customer service

MSE Branded Foods will...

- Design and develop an exciting new food and beverage concessions program featuring a mix of local and national brands such as Chick-fil-A, Dunkin' Donuts and Wichita's own River City Brewing Company.
- Deliver the highest levels of customer service and dining options.
- Partner with Taylor Foodservice, LLC, a certified ACDBE firm, to meet and exceed the ACDBE goals established by Wichita Mid-Continent Airport.
- Pay concessions rent of \$5,462,675 for the first ten years of the lease term.



MSE Branded Foods meets and exceeds the minimum qualifications as set forth in RFP #FP440014 as evidenced by the following:

MSE Branded Foods was founded in 1987 and has continuously operated Food and Beverage at Airport facilities since 2000.

MSE Branded Foods has operated the Food and Beverage concessions at the following airport terminals in the past five (5) years:

Akron Canton Airport – since 2000

2013 Gross Sales: \$3,972,578

2012 Gross Sales: \$3,791,876

2011 Gross Sales: \$3,343,541

Myrtle Beach International Airport – since 2004

2013 Gross Sales: \$3,228,727

2012 Gross Sales: \$3,057,263

2011 Gross Sales: \$3,567,148

Greenville-Spartanburg International Airport – since 2006

2013 Gross Sales: \$2,868,217

2012 Gross Sales: \$2,905,269

2011 Gross Sales: \$2,870,606

Gulfport-Biloxi Regional Airport – since 2007

Bishop International Airport, Flint, MI. – since 2008

MSE Branded Foods is authorized to conduct business in the State of Kansas.



4809794

FL
51-10KANSAS SECRETARY OF STATE
**Foreign Limited Liability
Company Application**

CONTACT: Kansas Office of the Secretary of State

Memorial Hall, 1st Floor
120 S.W. 10th Avenue
Topeka, KS 66612-1594(785) 296-4564
kssos@sos.ks.gov
www.sos.ks.gov0336 01
051 010
\$165.00FILED BY KS SOS
04-21-2014
04:18:55 PM
FILE#: 4809794

03841903

INSTRUCTIONS: All information must be completed or this document will not be accepted for filing.
Please read instructions sheet before completing.1. Name of the limited liability company:
Name of company must match the name on record with the home state

MSE BRANDED Foods of Wichita, LLC

2. State/Country of organization:

GEORGIA

3. Date of organization in home state:

APRIL 18, 2014
Month Day Year

4. Began doing business in Kansas:

☒ Upon qualification☐ _____
Month Day Year

5. Name of the resident agent and address of the registered office in Kansas:

Address must be a street address
A.P.O. box is unacceptable

INCorp Services, Inc.

Street Address

Name

Topeka

City

Kansas
State534 S. Kansas Ave., Ste 1000
66603-3456

Zip

6. Mailing address:

This address will be used to send official mail from the Secretary of State's office

Ed Jones

Attention Name

GAINESVILLE

City

225A Forrest Ave

Address

GA

State

30501

Zip

USA

Country

7. Tax closing month:

DECEMBER

8. Full nature and character of the business to be conducted in Kansas:

AIRPORT RESTAURANT

Gme

9. If management vests with members, please provide the name and address of each member. If management vests with managers, please provide the name and address of each manager:
Do not leave blank

If additional space is needed please provide an attachment

| | | | | | |
|----|-------------------|-------------|-------|-------|---------|
| 1) | JAMES HOUW | | | | |
| | Name | | | | |
| | 225A Forrest Ave. | GAINESVILLE | GA | 30501 | USA |
| | Mailing address | City | State | Zip | Country |
| 2) | | | | | |
| | Name | | | | |
| | | | | | |
| | Mailing address | City | State | Zip | Country |
| 3) | | | | | |
| | Name | | | | |
| | | | | | |
| | Mailing address | City | State | Zip | Country |
| 4) | | | | | |
| | Name | | | | |
| | | | | | |
| | Mailing address | City | State | Zip | Country |

10. The limited liability company hereby consents, without power of revocation, that actions may be commenced against it in the proper court of any county in the state of Kansas where there is proper venue by service of process on the Secretary of State of the State of Kansas; and the limited liability company stipulates and agrees that such service shall be taken and held in all courts to be valid and binding as if due service had been made upon the members of the foreign limited liability company.

11. I declare under penalty of perjury under the laws of the state of Kansas that the foregoing is true and correct and that the company is in good standing in its home state, and I have remitted the required fee.


Signature of manager or member

4-21-14
Date (month, day, year)

STATE OF GEORGIA

Secretary of State
Corporations Division
313 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

CONTROL NUMBER : 14038705
DATE INC/AUTH/FILED : April 18, 2014
JURISDICTION : Georgia
PRINT DATE : April 21, 2014

CERTIFICATE OF EXISTENCE

I, Brian P. Kemp, the Secretary of State of the State of Georgia, do hereby certify under the seal of my office that

MSE Branded Foods of Wichita, LLC
A Domestic Limited Liability Company

was formed in the jurisdiction stated above or was authorized to transact business in Georgia on the above date. Said entity is in compliance with the applicable filing and annual registration provisions of Title 14 of the Official Code of Georgia Annotated and has not filed articles of dissolution, certificate of cancellation or any other similar document with the office of the Secretary of State.

This certificate relates only to the legal existence of the above-named entity as of the date issued. It does not certify whether or not a notice of intent to dissolve, an application for withdrawal, a statement of commencement of winding up or any other similar document has been filed or is pending with the Secretary of State.

This certificate is issued pursuant to Title 14 of the Official Code of Georgia Annotated and is prima-facie evidence that said entity is in existence or is authorized to transact business in this state.



Tracking #: jldmTJWv

B: P. Kemp

Brian P. Kemp
Secretary of State



I hereby certify this to be a true and correct copy of the original on file.

Certified on this date: *April 21, 2014*
KRIS W. KOBACH
Secretary of State

Kris W. Kobach

ATTACHMENT A

To be returned with Proposal

DESIGNATED COMPANY POINT-OF-CONTACT FOR THIS SOLICITATION

The person or persons listed below should include those designated by the Proposer as being the authorized company point(s) of contact. The person or persons listed below should be qualified and authorized to provide, or arrange to be provided, any additional information which may be requested, or answer any questions regarding the Proposal submittals.

Name Jack Hough

Title President

Company MSE Branded Foods

Phone Number(s) 770-532-3301

Mailing/Parcel Delivery

Address 225 A Forrest Avenue

Gainesville, GA 30501

Email Address jackhough@aol.com

ATTACHMENT B

To be returned with Proposal
PROPOSER CERTIFICATION FORM

The Proposer hereby acknowledges that it has received, examined and is familiar with the Request for Proposals and attached specimen Agreement, documents, forms and addenda.

The person signing this document hereby certifies that he or she has full authority to bind the company to all terms and conditions and is duly authorized and designated to execute this Proposal and other documents required pursuant to this solicitation.

Proposer Entity: MSE Branded Foods
By: [Signature]
Title: President
Name: (Typed or printed) Jack Hough

(Attach additional sheets if needed)

Dated: April 24, 2014

ATTACHMENT C

To be returned with Proposal

PROPOSER QUALIFICATIONS AFFIDAVIT

Jack Hough, first being duly sworn says:
(print or type name)

1. Jack Hough ("He" or "She") is authorized to give this Affidavit on behalf of
MSE Branded Foods (hereinafter referred to as "Proposer")

[Insert name of Proposer unless Proposer is an individual, in which case, "himself" or "herself" and attach a copy of the relevant authorization (e.g., partnership agreement or certified copy of corporate resolution).]

2. Proposer has met all requirements necessary to fully authorize it to operate a Food and Beverage Concession in the State of Kansas.

[Check appropriate] YES ☒ NO ☐

3. Proposer's years of continuous airport experience in the ownership, management, or operation of a Food and Beverage Concession within the last seven (7) years with sales in at least three (3) of those years exceeding Two Million Dollars (\$2,000,000.00) at a single location.

See Attached
[State experience here or attach supplemental information noted as "see attached..."]

4. The following is a listing of all public airports at which Proposer has had an Food and Beverage Concession terminated either voluntarily or involuntarily prior to the expiration of its term during the past five (5) years, together with an explanation of the reasons for termination and the name and telephone number of a person associated with any such airport who may be contacted for verification.

None
[List airports here or attach supplemental information noted as "see attached..."; if "none," so state.]

5. The following is a listing of all lawsuits that have arisen pertaining to fee payments, rental payments and/or performance between Proposer and any other airport during the past five (5) years.

None

[List airports here or attach supplemental information noted as "see attached..."; if "none," so state.]

6. Proposer has had the following bonds or sureties canceled or forfeited during the past five (5) years, including the name of the bonding company, date, amount of bond and reason for the cancellation or forfeiture. None

[List here or attach supplemental information noted as "see attached..."; if "none," so state.]

7. List three (3) professional references for Proposer, including contact name, title, phone number and email address. See Attached

[List references here or attach supplemental information noted as "see attached..."]

8. (If applicable, provide the following information.) Proposer has a franchise relationship with See Attached, a national food and beverage company(ies) that is not itself a Proposer, on which Proposer relies in part for facilities or services. Proposer has a right to rely on such facilities or services for the entire Term of the proposed Concession and Lease Agreement as demonstrated by the attached documentation. (Attach documentation upon which Proposer relies.)

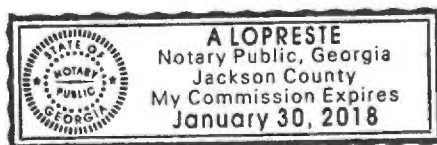
Signature of Affiant [Signature]

Sworn to and subscribed before me this 7 day of May, 2014.

Notary Public My Commission Expires: 1/30/18

[Signature]

(affix seal)

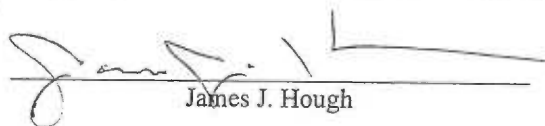


RESOLUTION OF THE MEMBERS OF
MSE BRANDED FOODS OF WICHITA, LLC

The following resolutions have been made and entered into as of the ____ day of May, 2014 by the undersigned who constitute all of the Members of MSE Branded Foods of Wichita, LLC ("Company"). The undersigned, by signing this instrument, do hereby (1) consent to the taking of the following action without a meeting and (2) indicate the undersigned's votes in favor of the action described herein:

RESOLVED, that James J. Hough (Jack Hough) has the authority to submit a Proposal to Wichita Airport Authority in response to RFP FP440014 and provide any and all information necessary for such Proposal without obtaining any further written approval of the members of the Company.

RESOLVED, that James J. Hough is the sole Manager of the Company and its acting President, and that James J. Hough has the authority to sign any and all documents on behalf of the Company. Below is a specimen of the signature of James J. Hough;

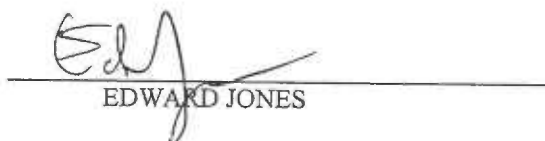

James J. Hough

RESOLVED, these resolutions shall continue in full force and effect unless revoked by a subsequent resolution signed by the Members of the Company.

These Resolutions have been adopted as of the date set forth above by all of the Members of the Company.

MEMBERS:


JAMES J. HOUGH


EDWARD JONES

MSE Branded Foods
Proposer Qualifications

1. MSE Branded Foods was founded in 1987 and has continuously operated Food and Beverage Concessions at Airport facilities since 2000.

2. MSE Branded Foods operates the Food and Beverage Concessions at the following airport terminals:

| <u>Airport</u> | <u>Location</u> | <u>Lease Start</u> |
|---|------------------|--------------------|
| Akron Canton Airport | North Canton, OH | 12/1/2000 |
| Myrtle Beach International Airport | Myrtle Beach, SC | 12/29/2004 |
| Greenville Spartanburg Regional Airport | Greenville, SC | 1/15/2006 |
| Gulfport-Biloxi Regional Airport | Gulfport, MS | 6/1/2007 |
| Bishop International Airport | Flint, MI | 12/1/2008 |

3. MSE Branded Foods has operated the following Food and Beverage Concessions with sales exceeding \$2,000,000.

| | <u>Gross Sales Achieved</u> | | |
|---|-----------------------------|--------------|--------------|
| | <u>2011</u> | <u>2012</u> | <u>2013</u> |
| Akron Canton Airport 5400 Lauby Road North Canton, OH 44720 | \$ 3,343,541 | \$ 3,791,876 | \$ 3,972,578 |

| | <u>Gross Sales Achieved</u> | | |
|---|-----------------------------|--------------|--------------|
| | <u>2011</u> | <u>2012</u> | <u>2013</u> |
| Myrtle Beach International Airport 1100 Jetport Road Myrtle Beach, SC 29577 | \$ 3,567,418 | \$ 3,057,263 | \$ 3,228,727 |

| | <u>Gross Sales Achieved</u> | | |
|--|-----------------------------|--------------|--------------|
| | <u>2011</u> | <u>2012</u> | <u>2013</u> |
| Greenville-Spartanburg Regional Airport 2000 GSP Drive Greer, SC 29651 | \$ 2,870,606 | \$ 2,905,629 | \$ 2,868,217 |

MSE Branded Foods
Professional References

Akron Canton Airport

5400 Lauby Road
North Canton, OH 44720
330-499-4059
Rick McQueen, Director
RMcQueen@AkronCantonAirport.com

Myrtle Beach International Airport

1100 Jetport Road
Myrtle Beach, SC 29577
843-448-1589
Pat Apone, Director
AponeP@horrycounty.org

Greenville-Spartanburg Regional Airport

2000 GSP Drive, Suite 1
Greer, SC 29651
864-848-6260
Dave Edwards, President
DEdwards@GSPAairport.com

Bishop International Airport

G-3425 West Bristol Road
Flint, MI 48507
810-235-6560
Jim Rice, Director
JRice@BishopAirport.org

Gulfport-Biloxi Regional Airport

14035-L Airport Road
Gulfport, MS 39503
228-863-5951
Clay Williams, Executive Director
Cwilliams@flygpt.com



Chick-fil-A, Inc.
5200 Buffington Road
Atlanta, Georgia 30349
Telephone 404 765-8000

May 2, 2014

Jack Hough
MSE Branded Foods
225A Forrest Avenue
Gainesville, GA 30501

Dear Jack,

Please accept this letter as preliminary approval to include Chick-fil-A in the MSE Branded Foods proposal for the Wichita Mid-Continent Airport, Wichita, KS bid proposal. Final approval is pending the awarding of the proposal to MSE Branded Foods and approval of the selected site after an on-site visit by Chick-fil-A, Inc.

Best Regards,

A handwritten signature in cursive script, appearing to read "Sean Warren".

Sean Warren
Sr. Manager
Real Estate - Licensing



April 18, 2014

Mr. Jack Hough
MSE Branded Foods
225 A Forrest Avenue
Gainesville, GA 30501

Re: Wichita Mid-Continent Airport

Dear Mr. Hough,

Dunkin' Brands is pleased to hear of your interest in the potential development of a Dunkin' Donuts restaurant in the Wichita Mid-Continent Airport. Please accept this letter as preliminary approval from the brand to include Dunkin' Donuts in your bid package.

This preliminary approval is subject to the completion and submittal of a complete site package for final review. The final review will include an analysis of the equipment plan and elevations.

We wish you success with your project, and appreciate your partnership and confidence in our brands.

Sincerely,

A handwritten signature in black ink, appearing to read "Christian Burr, Jr.", with a stylized, flowing script.

Christian Burr, Jr.
Director, Nontraditional Development



130 Royall Street Canton, MA 02021

p 781-737-3000 f 781-737-4000

May 7, 2014

Jack Hough
MSE Branded Foods
225A Forrest Avenue
Gainesville, GA 30501

Dear Jack,

River City Brewing Co. is pleased to hear of your interest in the potential development of a River City Brewery restaurant in the Wichita Mid-Continent Airport. Please accept this letter as preliminary approval from the brand to include River City Brewery in your bid package.

This preliminary approval is subject to the completion, submittal and review of a complete site package as well as the negotiation and execution of a license/franchise agreement. This is a non-binding letter of intent.

We wish you success with your project, and appreciate your interest and confidence in our brand.

Chris Arnold

Wichita, Kansas

150 N. Mosley
Wichita, Ks. 67202
Phone: (316) 263-2739 Fax: (316) 263-2796
www.rivercitybrewingco.com

ATTACHMENT D

To be returned with Proposal

ACKNOWLEDGMENT OF PROPOSER

The submission of this Proposal is the duly authorized act of the Proposer and the undersigned is duly authorized and designated to execute this Proposal and other documents required pursuant to this solicitation.

1. **IF PROPOSAL IS BY A SOLE PROPRIETOR**, this form must be dated and signed here: This _____ day of _____, 2014.

Signature

Print or type name:

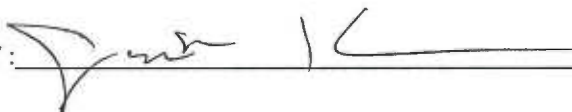
Signature of Witness:

Typed or printed name of witness:

2. **IF PROPOSAL IS BY A PARTNERSHIP, JOINT VENTURE, OR LIMITED LIABILITY COMPANY**, this form must be dated and signed here by a general partner, in the case of a partnership, or by one of the joint venturers, if a joint venture, and by a managing member, in the case of a limited liability company. If the partnership, joint venture or limited liability company is itself composed of entities rather than individuals, the name of the entity executing on behalf of the partnership, joint venture or limited liability company should be printed or typed in the second signature line below, and a proper form of execution should be made by such entity.

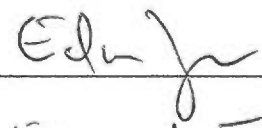
This 24th day of April, 2014

MSE Branded Foods of Wichita, LLC
(Name of Partnership, Joint Venture or Limited Liability Company)

BY: 

Jack Hough
(Typed name of individual whose signature appears above)

Witnessed or Attested By:


Edward Jones, Secretary
(Typed name of person witnessing or attesting and title if applicable)

3. **IF PROPOSAL IS BY A CORPORATION**, this form must be dated and signed here by:

President or a Vice President, and Secretary, Assistant Secretary, Treasurer, or Assistant Treasurer, with the corporate seal affixed. If this form is not so signed, a duly certified corporate resolution authorizing the form of execution used must be attached.

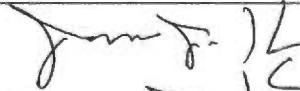



This _____ day of _____, 2014.

ATTACHMENT E

To be returned with Proposal

Addenda Acknowledgment Form

Proposer acknowledges receipt of the following Addenda to the Request for Proposals:

| Addenda Number | Signature | Date |
|----------------|--|--------|
| 1. |  | 5-7-14 |
| 2. |  | 5-7-14 |
| 3. |  | 5-7-14 |
| 4. |  | 5-7-14 |
| 5. | | |

ATTACHMENT F

To be returned with Proposal

COMMITMENT ACKNOWLEDGEMENT FOR ACDBE

An ACDBE concession specific goal of five percent (5%) of annual gross receipts has been established for this concession. The Proposer shall make good faith efforts, as defined in 49 CFR Part 26, to meet the concession specific goal for ACDBE participation in the performance of this concession.

Prior to formal award and execution of the Food and Beverage Concession and Lease Agreement, the successful Proposer shall be required to submit the following information:

1. The names and addresses, and copies of certifications of ACDBE firms and suppliers that shall participate in the concession,
2. A description of the work that each ACDBE shall perform;
3. The dollar amount of the participation of each ACDBE firm participating;
4. Written and signed documentation of commitment to use a ACDBE whose participation it submits to meet a contract goal;
5. Written and signed confirmation from the ACDBE that it is participating in the concession as provided in the prime CONCESSIONAIRE's commitment; and

Signature of Affiant

[Handwritten Signature]

Print or type name:

Jack Hough

Sworn to and subscribed before me this 7 day of May, 2014.

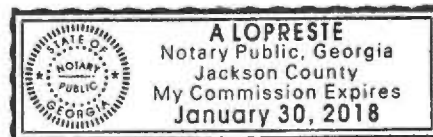
Notary Public My Commission Expires: 1/30/18

Signature of Witness:

Amy Lepreste

Typed or printed name of witness: _

[Handwritten Signature]



Airport Concession Disadvantaged Business Enterprise Plan

MSE will partner with Taylor Foodservice, LLC to meet or exceed the airport's stated ACDBE participation goal. Through direct participation and utilizing ACDBE-certified suppliers and vendors, MSE will make its best efforts to reach this goal.

Using this approach, MSE has met or exceeded the ACDBE goals established every year at six airports since 2000.

Taylor Foodservice, LLC

Homer H. Taylor formed Taylor Foodservice, LLC (TFS) on October 22, 2003 and he is its sole member. On August 6, 2004, TFS became certified by the Georgia Department of Transportation as a Disadvantaged Business Entity (DBE). Since this time, TFS has also received DBE/ACDBE Certifications from Florida, North Carolina, South Carolina, Mississippi and Illinois.

ACDBE Management Responsibilities:

In the initial phase of the project, Taylor Foodservice, LLC (TFS) will be responsible for all space design and layout, equipment selection and supervision of all construction. TFS will coordinate with architects and engineers to develop building plans and handle all aspects of permitting. During this process, TFS will solicit construction bids and work with MSE management in the final selection. Once construction begins, TFS will be onsite providing direct oversight of all work. In addition, TFS will work with MSE Operations staff and ICT staff to determine temporary concessions facilities locations. TFS will be responsible for sourcing all temporary facilities.

After the construction process is complete, TFS will be involved in the following ongoing areas:

- Serve on the Management Committee and meet monthly with the Management Committee to evaluate the Company's performance and identify new areas of opportunity.
- Ensure the Company's compliance with all Franchise and License requirements.
- Supervise the equipment preventive maintenance programs at ICT.
- Provide sourcing of replacement equipment.



- As a CPA, Homer Taylor will work closely with the management team to identify areas of cost-savings.
- Annual Budgeting. Mr. Taylor will help prepare annual budgets and monitor results throughout the year.
- As a former foodservice distributor, Mr. Taylor will work to identify and source products from certified DBE, MBE and WBE firms.

Mr. Taylor will make regularly scheduled visits to ICT in the performance of these duties.



Brands / Concepts

When developing the concepts for the new food and beverage program at Wichita Mid-Continent Airport, MSE endeavored to create an exciting blend of local, regional and nationally-branded options.

Greeting travelers as they enter the airport will be the Old Town Café. Designed to highlight the historic Wichita downtown, this location will feature a wide array of baked goods, grab and go items, and fresh made-to-order sandwiches, wraps and salads. A full-service bar will complement the location and reflect the architectural theme of Old Town.



Traveling airside, the Center Food Court area will prominently feature a variety of offerings sure to please. Seasoned travelers look to established brands for consistent quality and menu choices. Our quick-service offerings will include Chick-fil-A and Dunkin' Donuts, two of the most popular brands nationwide, in a Food Court format. Wichita's own River City Brewing Company will provide a casual dining option, while pouring up fresh, local brews and a tempting menu of appetizers, sandwiches and other pub delights.



Overlooking the tarmac, the Air Capital Bar will provide a happy respite for weary flyers. Featuring a full-service bar, we will offer a light menu consisting of delectable appetizers, sandwiches and wraps and fresh pizzas. The design of the location will accentuate the dramatic views offered of the airfield.



On the Concourse West End, our Grab and Fly unit will feature breakfast sandwiches, fresh baked goods, Dunkin' Donuts coffee and a selection of sandwiches. A wide variety of grab-and-go items will be available for those on a short time schedule.





Chick-fil-A is a destination concept and is recognized as the dominant quick-service restaurant chain in America.

Credited with introducing the original boneless breast of chicken sandwich and pioneering in-mall fast food, Chick-fil-A is one of the largest privately-held restaurant chains – with 1,240-plus restaurants* in 38 states and Washington, D.C. – and the largest quick-service chicken restaurant chain in the nation, based on annual sales. Our mission statement – “Be America’s Best Quick-Service Restaurant”.

Chick-fil-A boasted average sales per unit of \$3.16 million in 2012, leading its group of peers in the quick service industry, QSR Magazine [reported](#) this month in consultation with the food-centric research and consulting firm Technomic Inc. McDonald’s ranked No. 2 among the top 50 brands with average sales per store of \$2.6 million.





Dunkin's Brand Recognition

DONUTS,
MAKING PEOPLE
HAPPY SINCE 1950

It's Everywhere!

- Dunkin' Donuts is the largest coffee and baked goods chain in the world
- Dunkin' Donuts sells more coffee, donuts and bagels than any other quick service restaurant in America
- We enjoy 95% brand recognition among consumers, even in markets where we don't have a presence
- A strong national retail presence to carry the brand into new markets

Dunkin' Beat Starbucks

In order to confirm our belief that we serve the best cup of coffee in America, during 2008, an independent testing company conducted double-blind taste tests of coffee drinkers across ten major U.S. cities. The results showed a majority of the participants preferred Dunkin' Donuts coffee over Starbucks by a 6 to 4 margin.



100% Fair Trade Certified



Our Mission is to make a positive impact on the communities where we buy coffee -- in a way that is meaningful, sustainable and authentic to Dunkin' Donuts.

Dunkin' Donuts is the only national chain serving exclusively 100% Fair Trade Certified espresso beverages

Dunkin' Donuts purchases of Fair Trade Certified coffee have brought an additional \$7 million in income to coffee communities.





Our History

In a grand return to Kansas brewing tradition, the River City Brewing Co. opened its doors in March 1993. River City is the first brewpub in Wichita and only the third brewery to open in Kansas in well over half a century. Handcrafted beer, fresh food and a relaxed atmosphere are the cornerstones of the River City operation.



Tradition is important to us here at the Brewery. We chose this location because it reflects our heritage and helps renew our state's brewing tradition. In addition, its cobblestone surroundings and gigantic timber beams create the perfect setting for what many might consider the quintessential Midwest brewpub. A sense of history helps us keep our feet on the ground and gives us a place in time. For River City we have found our home in a building that has supported the livelihoods of thousands of families since the early part of the century. The three-story building to the south was built by Bennett Paint Company in 1905 for all of \$12,000. By 1909, our two-story structure had been added and the company had changed its name to the Hockaday Paint Company.

In ensuing years the building was home for the Lehman-Higginson Grocery Company and tanners James C. Smith Hide Company and the J.R. Johnston Hide Company. In fact, the words "Hides", "Furs", and "Pelts" are still faintly distinguishable beneath the second floor windows on our west side. Most recently the building was one of several housing the Southwest Paper Company, a Wichita tradition in its own right, having served our community since 1938.



History does not stop at our building's walls, however. Craftmaster Jimmy Lylton, with the assistance of Kenny Potter and Donnie Washington have built our entryway from leaded glass windows recovered from the old Vickers mansion in Wichita. The wood for the bar came out of the old Salvation Army building on Douglas. They built the wainscot from timbers and flooring saved from the wrecker's ball in the Axtell house of southern Jackson County Kansas. Much of the wood trim and materials for our booths were garnered from soon-to-be demolished homes on Quality Hill in Kansas City. The pews used in our booth seats originally held devoted members of a church in Cheney where we also found the lights overhead. Jimmy

claims the bench just inside our door was reclaimed from a Dodge City saloon, but he is not sure which one. (Although the cigarette burns on the arms tend to support his story.)

The menu not only reflects Kansas's heritage with the inclusion of buffalo and Kansas raised beef but also includes great pastas, seafood, salads, sandwiches and unique pizzas. Time-proven techniques for making everything from stocks and soups to pizza dough and custards are employed by our professional kitchen staff.





CAFE

BREAKFAST

| | |
|-----------------------------------|--------|
| Quick Start Bagel Sandwich | \$3.99 |
| Turkey Bacon Flatbread | \$5.49 |
| Smoked Sausage Croissant Sandwich | \$3.99 |
| Breakfast Burrito | \$3.99 |

BAKED GOODS

| | |
|---------------------|--------|
| Fresh Baked Muffins | \$2.89 |
| A variety of Bagels | \$1.99 |
| Assorted Scones | \$2.69 |
| Assorted Donuts | \$1.49 |
| Cinnamon Rolls | \$2.89 |
| Fresh Baked Cookies | \$1.49 |

GRAB N' GO

| | |
|------------------------------|--------|
| A variety of Yogurt Flavors | \$2.29 |
| Fresh Granola Parfait | \$3.95 |
| Morning Harvest Oatmeal | \$2.99 |
| Apple Slices Cup | \$3.99 |
| Seasonal Mixed Fruit Cup | \$3.99 |
| Mixed Grape Cup | \$3.99 |
| Mixed Melon Cup | \$3.99 |
| Strawberry/Blueberry Mix Cup | \$3.99 |
| Fruit & Yogurt Cup | \$6.59 |

BEVERAGES

A full line of bottled drinks including water, juices and energy drinks.

An assortment of fountain soft drinks.

A full service bar featuring a variety of wine and bottled and draft beers.



APPETIZERS

| | |
|---------------------------|--------|
| Fajita Chicken Quesadilla | \$7.49 |
| Buffalo Chicken Wings | \$6.99 |
| Salad Trio | \$8.49 |

WRAPS & SALADS

| | |
|-------------------------------|--------|
| Club Wrap | \$5.99 |
| Chicken Caesar Wrap | \$5.99 |
| Southwest Veggie Wrap | \$5.49 |
| Chef Salad | \$6.99 |
| Grilled Chicken Caesar Salad | \$6.99 |
| Grilled Chicken Harvest Salad | \$7.29 |

PERSONAL PIZZA

| | |
|-----------|--------|
| Supreme | \$5.99 |
| Pepperoni | \$5.49 |
| Cheese | \$4.99 |

HOT & TOASTY SANDWICHES

| | |
|-------------------------|--------|
| 1/3lb. Hamburger | \$4.19 |
| 1/3lb. Cheeseburger | \$4.49 |
| 1/4lb. Hot Dog | \$3.69 |
| French Dip Sandwich | \$6.49 |
| Chicken Philly Sandwich | \$6.49 |
| Hot Ham & Swiss | \$5.99 |
| Honey Dijon Turkey | \$5.99 |



Healthy, vegetarian, or gluten free



Breakfast

| | |
|--|--------|
| Biscuit with Chick-fil-A Chicken | \$2.49 |
| Biscuit with Chick-fil-A Chicken & Egg | \$3.19 |
| Biscuit with Chick-fil-A Chicken, Egg & Cheese | \$3.49 |
| Biscuit with Bacon | \$2.19 |
| Biscuit with Bacon & Egg | \$2.79 |
| Biscuit with Bacon, Egg & Cheese | \$3.19 |
| Biscuit with Egg | \$1.69 |
| Biscuit with Sausage | \$2.19 |
| Biscuit with Sausage & Egg | \$2.79 |
| Biscuit with Sausage, Egg & Cheese | \$3.19 |
| Hash Browns | \$1.29 |

Chick-Fil-A Classics

| | |
|--|--------|
| Chick-fil-A Sandwich | \$3.69 |
| Chick-fil-A Sandwich Deluxe | \$3.99 |
| Chick-fil-A Chargrilled Chicken Sandwich  | \$4.49 |
| Chick-fil-A Nuggets | \$3.69 |
| Chick-fil-A Chargrilled Chicken Nuggets  | \$3.99 |
| Chick-fil-A Chargrilled Chicken Garden Salad  | \$6.99 |
| Chick-fil-A Waffle Potato Fries | \$1.89 |
| Chick-fil-A Cole Slaw | \$1.59 |





Kid's Meals

Includes a drink and waffle fries or a fruit cup

| | |
|---|--------|
| Chick-fil-A Nuggets | \$3.99 |
| Chick-fil-A Chargrilled Chicken Nuggets  | \$4.29 |

Beverages

| | |
|---|--------|
| Chick-fil-A Fresh Squeezed Lemonade | \$1.99 |
| Soft Drinks | \$1.89 |
| Chick-fil-A Coffee | \$1.79 |
| 2% Milk  | \$1.69 |
| Variety of Bottled Juice  | \$1.89 |

 Healthy, vegetarian, or gluten free





Beverages

| Coffee | Shot / Box | S | M | L | XL |
|-------------------|------------|------|------|------|------|
| Hot Coffee | | 1.89 | 2.19 | 2.39 | 2.59 |
| Iced Coffee | | 2.39 | 2.79 | 2.99 | |
| Espresso Shot | 1.19 | | | | |
| Turbo: Add a shot | 0.89 | | | | |
| Box O' Joe | 18.19 | | | | |
| Pound of Coffee | | | 9.69 | | |

Specialty Coffee

| | S | M | L |
|-----------------------------|------|------|------|
| Hot Latte (Regular/ Lite) | 2.39 | 2.99 | 3.69 |
| Iced Latte (Regular / Lite) | 2.99 | 3.69 | 4.19 |
| Cappuccino | | | |

Other Beverages

| | 9 oz. | S | M | L | XL |
|----------------------|-------|------|------|------|----|
| Hot Winter Beverages | | 2.09 | 2.39 | 2.59 | |
| Hot Tea | | 1.89 | 2.19 | 2.39 | |
| Iced Tea | | 2.39 | 2.79 | 2.99 | |
| Coolatta | | 3.39 | 4.19 | 4.79 | |

Bottled Beverages

| | |
|--------|------|
| Soda | 2.19 |
| Juice | 2.79 |
| Energy | 2.99 |

Combos

| Coffee Combos | S | M | L | XL |
|------------------------------------|---|------|------|------|
| 2 Donuts / Coffee | | 4.09 | | |
| Muffin / Coffee | | 3.89 | | |
| Bagel / Cream Cheese / Coffee | | 4.39 | | |
| Egg, Cheese, Meat Sandwich, Coffee | | 5.39 | | |
| Egg White Flatbread / Coffee | | 5.39 | | |
| Make it a Large | | | 0.30 | |
| Make it an Extra Large | | | | 0.45 |

PM Combos w/ Iced Coffee / Iced Tea

| | |
|--------------------------|------|
| Grilled Cheese Flatbread | 5.99 |
| Flatbread w / Meat | 6.59 |
| Premium Flatbread | 6.99 |



Food

Anytime Breakfast

| | Single |
|----------------------|--------|
| Donut | 1.19 |
| Munchkins | |
| Bagel | 1.39 |
| Bagel / Cream Cheese | 2.39 |
| Bagel Twist | 1.89 |
| Muffin | 2.09 |

Breakfast Sandwich

| | |
|---------------------|------|
| | 1.59 |
| Wake Up Wrap | 1.89 |
| Wake Up Wrap / Meat | 2.99 |
| Egg and Cheese | 3.79 |
| Egg, Cheese, Meat | 1.69 |
| Sausage Biscuit | |
| Chicken Biscuit | |

Egg White Flatbread Sandwich

| | |
|---------|------|
| Veggie | 3.79 |
| W/ Meat | 3.79 |

Hash Browns

| | |
|--------------|------|
| Combo Add-on | 1.29 |
| Standalone | 1.69 |

Other Bakery

| | Single |
|--------------------------------------|--------|
| Fancy / Coffee Roll / Danish | 1.89 |
| Croissant / English Muffin / Biscuit | 1.49 |
| Cookie | 1.39 |

Anytime Eating

| | |
|--------------------|------|
| Flatbread Sandwich | |
| Grilled Cheese | 3.79 |
| Flatbread w/ Meat | 4.39 |
| Premium Flatbread | 4.79 |





RIVER CITY BREWING CO.



www.rivercitybrewingco.com

APPETIZERS

GOES GREAT WITH YOUR CHOICE OF BEER BEFORE YOUR MEAL

Spinach & Artichoke Dip

Warm spinach dip served with roasted bread, tortilla chips, mozzarella cheese and fresh diced tomatoes tossed in olive oil and basil. — 8.79

Chipotle BBQ Chicken Wings

Grilled and tossed in our homemade Chipotle BBQ sauce and served with carrot sticks and ranch dressing. — 10.49

Cactus Queso

A creamy blend of cheeses and spices served hot with fresh tortilla chips. — 7.69

Twelve Pack of Buffalo Wings

Jumbo chicken wings fried & tossed in traditional hot sauce and served with celery sticks and homemade Wisconsin Blue Cheese Dressing. — 9.50

Chips N Salsa

A basket full of homemade tortilla chips served with homemade fire roasted salsa. — 4.69

Quesadilla

Chicken Ranchero, cheddar and Monterrey Jack cheese in a flour tortilla. We serve it with sour cream and salsa. — 9.39

Buffalo Chicken Dip

The perfect blend of cheeses, spices, chicken and hot sauce served with celery sticks and tortilla chips for dipping. — 8.79

SALADS

Add Avocado Relish for \$1.99 | Additional dressing 60¢

Fried Chicken Salad

Hand breaded and fried chicken tenderloins atop fresh mixed greens with chopped egg, cherry tomatoes, cucumbers, shaved red onion and cheese. Served with honey mustard dressing. — 9.89

Fajita Chicken Salad

Southwestern seasoned and grilled chicken breast resting on top of fresh greens, cheddar and Jack cheese blend, cherry tomatoes, Black Bean Corn Relish and corn tortilla chips. Served with cool ranch dressing and fire roasted salsa. — 9.89

Greek Chicken Salad

Crisp salad mix with cucumbers, cherry tomatoes, kalamata olives, red onions, pepperoncini and feta cheese served with Greek vinaigrette. — 9.89

Garden Salad

Fresh crisp greens, red onion, cherry tomatoes, cucumbers and crispy croutons. — 4.99
+ grilled chicken for 2.29

Soup & Salad

A fresh garden salad and a cup of your choice of Chicken Noodle or our Soup of the Day. — 7.69

Buffalo Chicken Salad

Grilled Buffalo style chicken on a bed of fresh greens with cucumber, bell peppers, celery sticks and blue cheese crumbles. — 9.39
Fried Buffalo Chicken Salad — 10.99

Shrimp Salad

Seasoned shrimp on fresh greens with avocado, tomato, cucumber, peppers, queso fresco and choice of dressing. — 10.99

SOUPS

Soup of the day

Our favorite concoctions made fresh daily just for you. Cup — 3.99 Bowl — 4.99

Homemade Chicken & Noodle

Sure to make you feel all warm inside. Made fresh daily with homemade noodles and the perfect blend of spices. Cup — 3.99 Bowl — 4.99

Add a cup of soup or Side salad for \$1.99 with any Entree, Pasta, Sandwich or Burger!

NOT YOUR MAMA'S MAC

Mac N Cheese

Big shell pasta tossed in our homemade creamy cheese sauce and topped with toasted bread crumbs. Ask around...it's kinda famous. — 9.19

Fried Chicken Mac

Our famous Mac N Cheese topped with one of our hand breaded chicken tenders. — 11.59

Buffalo Mac

Toss our hand breaded chicken tender in buffalo sauce and lay it on top of our famous mac n cheese topped with fresh blue cheese crumbles. — 11.99

Broccoli Mac

Steamed broccoli tossed into our original Mac N Cheese. It's cheese and broccoli gone wild. — 10.49

Spicy Shrimp Mac

Shell pasta and creamy cheese sauce tossed with chipotle sauteed shrimp. — 11.99



SIDES

| | |
|-----------------------|-----------------|
| Cottage Cheese | 1 ⁹⁹ |
| Beer Bread | 1 ⁹⁹ |
| Mashed Potato | 1 ⁹⁹ |
| Cole Slaw | 1 ⁹⁹ |
| Cilantro Lime Rice | 1 ⁹⁹ |
| Roasted Baby Potatoes | 1 ⁹⁹ |
| Broccoli | 1 ⁹⁹ |

ADDITIONAL SAUCES AND DRESSINGS 60¢ EACH

BATTERED & BREADED

River City Fish & Chips

Flaky white Cod beer battered and fried golden. Served in a basket of seasoned waffle cut fries, slaw and homemade tartar. — 13.19

Country Fried Steak

Fresh cubed steak hand breaded, fried and slathered in country style white gravy. Served with mashed potatoes and market fresh veggies. — 13.19

Chicken Tenders

We dip them in fresh buttermilk, roll them in seasoned flour and fry them to a crispy perfection. Served in a basket with rough-cut fries, white gravy and choice of sauce. — 10.99
Make them buffalo style for \$1⁰⁰

STRAIGHT OFF THE GRILL

ADD 10 CHIPOTLE SAUTEED SHRIMP FOR \$4

Our very best recommendations

Top Sirloin*

Marinated in a blend of spices, grilled the way you like it and topped with Blue Cheese Chive butter and served with roasted baby potatoes and veggies. — 16.99

Cowboy Ribeye*

Rubbed with our signature ancho chile seasoning and served with roasted baby potatoes and veggies. — 23.99

Big Sid's Baby Back Ribs

Slow smoked to tender perfection, basted in our tangy sweet BBQ sauce & served with rough-cut fries.
Whole rack — 19.79
Half rack — 14.29

Herb Marinated Chicken

Marinated in herbs and wheat beer, grilled and served with roasted potatoes and veggies. — 11.99

Bone-In Pork Chop

Grilled and paired with brown ale mustard cream sauce, roasted potatoes and veggie. — 16.49

Grilled Salmon

Seasoned to be a little spicy and served with a cool cilantro lime rice and veggie. — 16.49

Grilled Tilapia

Seasoned and grilled then topped with cucumber relish with cilantro lime rice and veggies. — 14.29

Grilled Fish Tacos

Topped with shredded lettuce, avocado relish, queso fresco and a chipotle cream sauce on corn/flour tortillas. — 10.99

Shrimp Tacos

Chipotle seasoned shrimp, shredded lettuce, avocado relish, queso fresco and cilantro lime cream sauce on corn/ flour tortillas. — 11.99

PIZZAS

MAKE IT A BEER CRUST PIZZA FOR \$1.⁰⁰

The Greek

Fresh baby spinach, kalamata olives, shaved red onions, sliced mushrooms, diced tomatoes, mozzarella, feta, and provolone cheeses and drizzled with virgin olive oil. — 10.99

The Italian

Spicy Italian sausage, thinly sliced pepperoni, mozzarella & provolone cheese. — 9.89

The Manhattan

Sausage, pepperoni, mushrooms, diced tomatoes, red onions, kalamata olives, Provolone & Mozzarella cheese on a crisp crust. — 10.99

The Kansan

Ground beef, bacon, spicy sausage, pepperoni and melted cheeses. — 11.59

The Sicilian

Our famous crispy thin crust, tangy sauce, melted cheese and a truckload of pepperoni. — 9.89

Buffalo Chicken Pizza

Our special sauce, Mozzarella cheese and buffalo chicken topped with blue cheese crumbles and green onion. — 11.59

BBQ Chicken

Fajita chicken, onions, pepperocinis, bacon and Big Rick's BBQ sauce. — 11.99

Ranch Chicken

Homemade ranch dressing, tender chicken and crispy bacon topped with freshly grated Mozzarella and Provolone cheese. — 11.99

Tomato Basil Pizza

Very simple, homemade red sauce, tomatoes, mozzarella cheese and fresh basil. — 9.89

Beer Brat Pizza

Sliced beer brats slow cooked in IPA, beer braised onions, roasted red peppers and mozzarella cheese on homemade beer crust. — 11.99

18% gratuity will be added to groups of 8 or more.

BURGERS

ADD AVOCADO RELISH FOR \$1.00

ALL BURGERS SERVED WITH ROUGH-CUT FRIES, LETTUCE, TOMATO, ONION AND PICKLE. ADD BACON TO ANY BURGER FOR — 70¢

Classic Burger*

A half pound fresh patty grilled and served with your choice of cheese. — 9.89

Mushroom Swiss Burger*

Our classic burger topped with sautéed mushrooms and melted swiss cheese. — 10.39

Blue Burger*

A half pound burger rubbed with southwest spices and topped with fresh Blue Cheese crumbles. — 10.59

Bourbon Bacon Cheese Burger*

A juicy grilled hamburger patty glazed with bourbon sauce topped with bacon, cheese, tomato & onion on sourdough bread. — 10.59

Memphis Burger

Topped with sweet pepper bacon, cheddar cheese, crispy onion strings and chipotle BBQ sauce. — 10.99

Black Bean Veggie Burger

Grilled and topped with monterrey jack cheese and Black Bean Corn Relish. — 9.39

Adobo Burger*

A fresh ½ pound burger marinated in wheat beer and chipotles, topped with lettuce, tomato and drizzled with cilantro-lime sauce. — 10.59

Beer Cheese Burger*

Seasoned, grilled and topped with fried onion strings, lettuce, tomato and beer cheese sauce. — 10.99

SANDWICHES

ALL SANDWICHES SERVED WITH ROUGH-CUT FRIES & DILL PICKLE. ADD AVOCADO RELISH FOR \$1.00

Brewben

Tender slices of slow roasted corned beef, sauerkraut, melted swiss cheese topped with our fresh made Thousand Island dressing. Served on toasted marble rye bread. — 9.89

French Dip

Thinly shaved roasted beef topped with swiss cheese and caramelized onions on a sourdough hoagie. — 9.89

My Big Fat Greek Wrap*

Tender chicken, tomatoes, kalamata olives, crisp greens, cucumbers, pepperoncini and feta cheese tossed in a Greek Vinaigrette then rolled up in a flour tortilla and served with fries. — 9.89

Buffalo Chicken Sandwich

Grilled chicken tossed in buffalo sauce served on a butter toasted bun with lettuce and tomato topped with fresh blue cheese crumbles. — 10.49
Make it a fried buffalo chicken sandwich — 10.99

Turkey Wrap

Seasoned bacon, turkey, lettuce, tomato, Mozzarella cheese and mayonnaise wrapped in a sun dried flour tortilla. — 9.89

Fajita Wrap

Back by popular demand with salsa ranch, seasoned chicken, black bean & corn relish, tomato, lettuce and cheddar jack cheese. — 9.89

Cuban Sandwich

Pork loin and ham with spicy slaw, pickles and Old Town Brown Mustard. — 9.89

Artichoke Chicken Sandwich

Tender grilled chicken topped with a creamy blend of spinach and artichokes on focaccia bread. — 10.99

Beer Cheese Steak Sandwich

Tender shaved beef, onions, mushrooms and peppers topped with homemade beer cheese sauce. — 9.89

DESSERTS

Stout Brownie

A rich chocolate brownie made with our stout ale and topped with chocolate ganache and salty pretzels over homemade vanilla stout ice cream. — 5.00

Bread Pudding

Homemade bread pudding slathered in vanilla stout anglaise. — 5.00

Vanilla Stout Float

Homemade stout ice cream floating in a glass of vanilla stout ale.

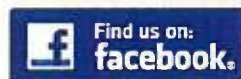
Must be 21 to enjoy. Ice Cream made by Bocconcini. — 6.00

Maricela's Flan Cake

Moist yellow cake topped with Maricela's famous Flan and topped with caramel sauce. — 5.00



Like us on Facebook to keep up with upcoming events and specials.



Don't forget to join us upstairs at Loft 150 for drinks, great live entertainment or a private room perfect for your special event or company party. Just ask for a manager to give you a tour and provide you with more information.

If in anyway your visit to River City Brewing Co. wasn't satisfactory or up to your expectations, or you just want to tell me how great it was, I encourage you to call me, Chris Arnold, owner/operator at 316-263-2739 or send me an email to carnold@rivercitybrewingco.com.

I would love to hear from you.

**Consuming raw or undercooked food may increase the risk of foodborne illness.*

OUR HISTORY

In a grand return to Kansas brewing tradition, the River City Brewing Co. opened its doors in March 1993. River City is the first brewpub in Wichita and only the third brewery to open in Kansas in well over half a century. Handcrafted beer, fresh food and a relaxed atmosphere are the cornerstones of the River City operation.

Tradition is important to us here at the Brewery. We chose this location because it reflects our heritage and helps renew our state's brewing tradition. In addition, its cobblestone surroundings and gigantic timber beams create the perfect setting for what many might consider the quintessential Midwest brewpub. A sense of history helps us keep our feet on the ground and gives us a place in time. For River City, we have found our home in a building that has supported the livelihoods of thousands of families since the early part of the century. The three-story building to the South was built by the Bennett Paint Company in 1905 for all of 12,000. By 1909, our two-story structure had been added and the company had changed its name to the Hockaday Paint Company.

In ensuing years the building was home for the Lehman-Higginson Grocery Company and tanners James C. Smith Hide Company and the J.R. Johnston Hide Company. In fact, the words "Hides", "Furs" and "Pelts" are still faintly distinguishable beneath the second floor windows on our west side. Most recently, the building was one of several housing the Southwest Paper Company, a Wichita tradition in its own right, having served our community since 1938.

History does not stop at our building's walls, however. Craftmaster Jimmy Lytton, with the assistance of Kenny Potter and Donnie Washington have built our entryway from leaded glass windows recovered from the old Vickers mansion in Wichita. The wood for the bar came out of the old Salvation Army building on Douglas. They built the wainscot from timbers and flooring saved the wrecker's ball in the Axtell house of southern Jackson County Kansas. Much of the wood trim and materials for our booths was garnered from soon-to-be demolished homes on Quality Hill in Kansas City. The pews used in our booth seats originally held devoted members of a church in Cheney where we also found the lights overhead. Jimmy claims the bench just inside our door was reclaimed from a Dodge City saloon, but he is not sure which one. (Although the cigarette burns on the arms tend to support his story.)

The menu not only reflects Kansas's heritage with the inclusion of Kansas raised beef but also includes great pastas, seafood, salads, sandwiches and unique pizzas. Time-proven techniques for making everything from stocks and soups to pizza dough and custards are employed by our professional kitchen staff.



At River City Brewing Co. we strive to bring you the freshest, most flavorful beer possible. We are constantly trying to push the envelope to bring you unique and interesting beers from The Brewmaster's Menu and Firkin Thursday's, so that your palate will never be bored at RCBC! Cheers.

Daniel Norton - Head Brewer - RCBC

Harvester Wheat

5.0 %alc, 12 I.B.U's

An unfiltered American Wheat Beer. Wheat malt flavor with a medium, delicate body. Smooth, and easy drinking, this beer is left unfiltered and hazy so the yeast can add all it's goodness!

Tornado Alley I.P.A.

7.0 %alc, 70 I.B.U's

An American India Pale Ale. Copper in color, big malty flavors intermingled with 70 I.B.U's worth of Centennial Hops, which add nice grapefruit citrus notes in the flavor and aroma! Hop Heads unite!!

Rock Island Red

6.0 %alc, 27 I.B.U's

An American Amber Ale. Brewed with 3 different types of caramel malt to add it's distinct Amber hues and roasted caramel malt flavor. Cascade Hops round out the flavor with a nice hoppy finish!

Old Town Brown

5.5 %alc, 24 I.B.U's

An American Brown Ale. Brewed with both caramel malt, and dark roasted malts, which add a deep, rich, mahogany color. Roasted, nutty flavor with a hint of coffee in the finish. East Kent Goldings Hops balance out the malt flavors! Dark in color, but light in body...A very easy drinking dark beer!

Emerald City Stout

5.7 %alc, 21 I.B.U's

An Irish Style Stout. Dark chocolate and espresso flavors blended into creamy goodness by the process of Nitrogenation, instead of carbonation! Smooth and creamy, dark and roasty, this Stout makes a great dessert beer, or a comforting companion on a winter's day!

Sample Platter

Try all 8 of our hand-crafted beers in 1 sitting, without having the police called on you! - 9⁵⁰

**** Please ask your server about our current Seasonal, Brewer's Choice, and High Gravity offerings on tap!

**** A new, cask conditioned creation EVERY Thursday night at 6pm on "Firkin Thursday's"



Appetizers

| | |
|---------------------------|--------|
| Fajita Chicken Quesadilla | \$7.49 |
| Buffalo Chicken Wings | \$6.99 |
| Salad Trio | \$8.49 |

Wraps & Salads

| | |
|-------------------------------|--------|
| Club Wrap | \$5.99 |
| Chicken Caesar Wrap | \$5.99 |
| Southwest Veggie Wrap | \$5.49 |
| ef Salad | \$6.99 |
| Grilled Chicken Caesar Salad | \$6.99 |
| Grilled Chicken Harvest Salad | \$7.29 |



Beverages

A full line of bottled drinks including water, juices and energy drinks.

An assortment of fountain soft drinks.

A full service bar featuring a variety of wine, bottled and draft beers, and premium liquors.

Personal Pizza

| | |
|-----------|--------|
| Supreme | \$5.99 |
| Pepperoni | \$5.49 |
| Cheese | \$4.99 |

Hot & Toasty Sandwiches

| | |
|-------------------------|--------|
| 1/3lb. Hamburger | \$4.19 |
| 1/3lb. Cheeseburger | \$4.49 |
| 1/4lb. Hot Dog | \$3.69 |
| French Dip Sandwich | \$6.49 |
| Chicken Philly Sandwich | \$6.49 |
| Hot Ham & Swiss | \$5.99 |
| Honey Dijon Turkey | \$5.99 |



Healthy, vegetarian, or gluten free

Grab and Fly

Breakfast

| | |
|-----------------------------------|--------|
| Quick Start Bagel Sandwich | \$3.99 |
| Smoked Sausage Croissant Sandwich | \$3.99 |

Baked Goods






| | |
|---------------------|--------|
| Fresh Baked Muffins | \$2.89 |
| A variety of Bagels | \$1.99 |
| Assorted Scones | \$2.69 |
| Assorted Donuts | \$1.49 |
| Cinnamon Rolls | \$2.89 |
| Fresh Baked Cookies | \$1.49 |



Grab n' Go

| | |
|------------------------------|--------|
| A variety of Yogurt Flavors | \$2.29 |
| Fresh Granola Parfait | \$3.95 |
| Morning Harvest Oatmeal | \$2.99 |
| Apple Slices Cup | \$3.99 |
| Seasonal Mixed Fruit Cup | \$3.99 |
| Mixed Grape Cup | \$3.99 |
| Mixed Melon Cup | \$3.99 |
| Strawberry/Blueberry Mix Cup | \$3.99 |
| Fruit & Yogurt Cup | \$6.59 |

Wraps, Salads, & Sandwiches


| | |
|-------------------------------|--|
| Club Wrap | \$5.99 |
| Chicken Caesar Wrap | \$5.99 |
| Southwest Veggie Wrap | \$5.49  |
| Chef Salad | \$6.99  |
| Grilled Chicken Caesar Salad | \$6.99  |
| Grilled Chicken Harvest Salad | \$7.29  |
| Ham & Swiss Sandwich | \$5.99  |
| Honey Dijon Turkey Sandwich | \$5.99  |



Beverages

A full line of bottled drinks including water, juices, and energy drinks.



 Healthy, vegetarian, or gluten free

ATTACHMENT G

To be returned with Proposal
PROPOSAL OF CONCESSION FEES PERCENTAGE RENT

| Category | Minimum Requirement | Concession Fees Offer |
|----------------------------------|---------------------|-----------------------|
| Food and Non-Alcoholic Beverages | 10% | 10-15% * |
| Alcoholic Beverages | 12% | 12-16% * |

* See Attached

PROPOSER: MSE BRANDED FOODS
 ATTACHMENT G - PROPOSAL OF CONCESSION FEES PERCENTAGE RENT

| <u>CATEGORY</u> | <u>MINIMUM REQUIREMENT</u> | <u>CONCESSION FEES OFFER</u> |
|----------------------------------|----------------------------|------------------------------|
| Food and Non-Alcoholic Beverages | 10% | 10-15% * |
| Alcoholic Beverages | 12% | 12-16% * |

* MSE Branded Foods proposes the following tiered percentage rent structure:

| <u>CATEGORY</u> | <u>ANNUAL REVENUES</u> | <u>CONCESSION FEES OFFER</u> |
|----------------------------------|---------------------------|------------------------------|
| Food and Non-Alcoholic Beverages | \$ 0 - \$3,000,000 | 10% |
| | \$3,000,000 - \$3,250,000 | 11% |
| | \$3,250,000 - \$3,500,000 | 12% |
| | \$3,500,000 - \$3,750,000 | 14% |
| | \$3,750,000 AND HIGHER | 15% |
| Alcoholic Beverages | \$0 - \$750,000 | 12% |
| | \$750,000 - \$850,000 | 13% |
| | \$850,000 - \$1,000,000 | 14% |
| | \$1,000,000 AND HIGHER | 16% |

ATTACHMENT H

To be returned with Proposal

FACILITY BUILD-OUT CAPITAL INVESTMENT PROPOSAL FORM

| Concept | Minimum Facility Build-Out Investment per Square Foot for each Concession Unit location | Proposed Facility Build-Out Investment per Square Foot for each Concession Unit location |
|-------------------------------------|---|---|
| In-Line Food/Beverage Facilities | \$ <u>350.00</u> | \$ <u>350.00</u> |

The Selected Proposer will be required to allocate not less than 85% of the Proposed Facility Build-Out Capital Investment to be expended on construction "hard costs" of materials, direct labor, equipment, finishes, furniture, signage, lighting, HVAC, and other construction costs exclusive of "soft costs" of design, engineering, construction supervision, permitting, specialist consultants, overheads, corporate construction administration, and other fees.

Statement Of Experience And Qualifications



Since MSE Branded Foods' founding in 1987 we have been providing quality restaurant services in a variety of retail environments including airports, resorts, shopping centers, corporate settings and hospitals. Our initial airport client was Akron-Canton Regional Airport, which we began serving in 2000. Subsequently, we expanded our service to airports with the opening of Daytona Beach International Airport, Myrtle Beach International Airport, Asheville Regional Airport, Greenville-Spartanburg Regional Airport, Gulfport-Biloxi International Airport and most recently Bishop International Airport in Flint, Michigan in December 2008.

Over the course of the last fourteen years we have found that our experience and expertise in operating both full service restaurants and quick service operations have perfectly positioned MSE to serve the unique airport environment. Our operations at Myrtle Beach International Airport illustrate this dual functionality by highlighting a full service restaurant with wait staff, while separately offering passengers the option of a quick service format including the use of nationally known brands.

Our airport partners strongly prefer the more personal approach we provide. As a streamlined, responsive company we provide a refreshing alternative to the multi-billion dollar, multi-national conglomerate. This more personal size, extensive performance in retail environments and growing airport locations provide just the experience needed to perfectly serve Wichita Mid-Continent Airport as it grows into the 21st Century!

Corporate Profile

MSE Branded Foods is an industry leader in the non-traditional food service arena. We specialize in a multitude of services that are customized to meet the demands and challenges of Wichita Mid-Continent Airport's concession needs. Our experience extends from airports to shopping malls, luxury hotels, hospitals and other retail markets nationwide.

Jack Hough founded MSE in 1987. He began operating and franchising in-line restaurants under the trade name Main Street Eatery. In 1992, Hough pioneered the evolution of MSE into the branded consolidated food court concept. Recognized as a leader in the branded concept industry, Hough has been a key speaker at several national branding conferences. His success as an operator and a consultant gives MSE a unique dual functionality that provides a strong foundation for a successful food and beverage operation at Wichita Mid-Continent Airport.

MSE is based just north of Atlanta in Gainesville, Georgia and operates nationwide with locations ranging from Florida to Massachusetts. With hundreds of employees, MSE has the staff and expertise to fully understand and analyze each individual situation.

At MSE, our commitment to integrity in every business relationship and quality in operations has fueled our success and growth. Our customers are our best references. We invite you to inquire about our satisfied customers and the results we've produced in food service operations of varying sizes covering the widest array of non-traditional venues across the United States.



Company Philosophy

Working as an integral part of your environment:

1. To provide the highest levels of personalized customer service.
2. To provide culinary excellence in our dedication to offering fresh food products prepared on site.
3. To be retail marketing driven in the creation of an environment for our customers that is exciting in menu diversity, food presentation and facility décor.
4. To obtain maximum benefit for our clients in terms of services provided coupled with top financial performance.
5. To meet and/or exceed the standards set by state or governmental regulatory agencies for professional operation of food service establishments.
6. To provide imaginative and innovative leadership in both the professional and managerial aspect of food service operations.
7. To provide personal and career growth opportunities for each of our associates.
8. To contribute to and enhance the reputation of the professional food and beverage management industry.

A commitment to serve our customers from a level of excellence for them rather than from a level of convenience for us.

Unique Capabilities

As a streamlined, responsive company we can respond more quickly to our clients' needs. Our programs, offerings and marketing can be custom designed to the exact needs of our customers. Our senior management, including founder Jack Hough, will be personally involved with operations at Wichita Mid-Continent Airport.

MSE strongly embraces the tools of the "Information Age" utilizing computers in all of our accounts. We routinely track financial results, administer payroll and control inventory electronically. Purchasing is handled directly and on-line with our major purveyors. Each of our accounts has e-mail accessibility for communicating and sharing all of the information being developed. These systems allow us to stay closely connected to conditions within our operations and to move very quickly to eliminate any problems that may arise.

However, when it comes to serving our customers, our philosophy becomes one of "high touch". We believe that when it comes to service, our customers are looking for wholesome foods prepared using fresh ingredients of high quality. They expect that sanitation standards are never compromised. We believe that our customers value personal attention from our management and service staff, who provide warm smiles and courteous greetings. Every effort is always made to satisfy our customer. We believe that within this service environment, it is important to foster innovation, to constantly develop new and exciting offerings and methods of serving and showcasing them.

At MSE, our vision utilizes all the "high tech" tools available to aid our operational and administrative needs, but most importantly, provides dining offerings in an attentive, personal, innovative and high quality oriented manner. We believe we provide Wichita Mid-Continent Airport with a distinct and unique option and perfect partner.



**MSE Branded Foods
Airport Locations**

| | 2007 | 2008 | 2009 | GROSS SALES | | 2010 | 2011 | 2012 | 2013 | | |
|--|--------------|--------------|--------------|-------------|-----------|------|-----------|------|-----------|----|-----------|
| Akron Canton Airport 5400 Lauby Road North Canton, OH 44720 | \$ 2,936,646 | \$ 3,057,926 | \$ 2,754,374 | \$ | 3,093,353 | \$ | 3,343,541 | \$ | 3,791,876 | \$ | 3,972,578 |
| Lease Start Date: 12/1/2000 | | | | | | | | | | | |
| Rick McQueen, Director 330-499-4059 RMcQueen@AkronCantonAirport.com | | | | | | | | | | | |
| Myrtle Beach International Airport 1100 Jetport Road Myrtle Beach, SC 29577 | \$ 3,425,890 | \$ 3,088,688 | \$ 2,615,451 | \$ | 3,171,610 | \$ | 3,567,148 | \$ | 3,057,263 | \$ | 3,228,727 |
| Lease Start Date: 1/1/2005 | | | | | | | | | | | |
| Pat Apone, Director 843-448-1589 AponeP@horrycounty.org | | | | | | | | | | | |
| Greenville-Spartanburg Regional Airport 2000 GSP Drive, Suite 1 Greer, SC 29651 | \$ 2,527,629 | \$ 2,261,228 | \$ 1,918,947 | \$ | 1,893,628 | \$ | 2,870,606 | \$ | 2,905,269 | \$ | 2,868,217 |
| Lease Start Date: 1/16/2006 | | | | | | | | | | | |
| Dave Edwards, President 864-848-6260 DEdwards@GSPAirport.com | | | | | | | | | | | |
| Gulfport-Biloxi Regional Airport 14035-L Airport Road Gulfport, MS 39503 | \$ 608,871 | \$ 1,404,324 | \$ 1,080,413 | \$ | 1,230,630 | \$ | 1,123,863 | \$ | 1,074,936 | \$ | 1,023,209 |
| Lease Start Date: June 1, 2007 | | | | | | | | | | | |
| Clay Williams, Executive Director 228-863-5951 cwilliams@flygpt.com | | | | | | | | | | | |
| Bishop International Airport G-3425 West Bristol Road Flint, MI 48507 | N/A | \$ 104,635 | \$ 1,226,001 | \$ | 1,349,805 | \$ | 1,349,641 | \$ | 1,174,806 | \$ | 1,177,935 |
| Lease Start Date: December 1, 2008 | | | | | | | | | | | |
| Jim Rice, Director 810-235-6560 JRice@BishopAirport.org | | | | | | | | | | | |

Proposed Unit Management and Operations Plan

Management and Organizational Structure

MSE Branded Foods has a long history of providing strong, consistent management of airport restaurant facilities. Our approach of employing proven onsite management that is strongly supported by a highly involved corporate office has been the reason behind MSE's success.

MSE's onsite General Manager will lead a management team that includes an Assistant General Manager, Kitchen Manager and an appropriate staff of associate managers. The onsite General manager will have the authority and requirement to do anything necessary to insure a successful restaurant operation; the General Manager will report directly to the Regional Director of Operations.

The Regional Director of Operations is a direct link to the MSE corporate office. The Regional Director will be responsible for support and oversight of the location through a variety of methods including regular and timely visits.

The Regional Director will report to and also be supported through regular visits and other communications by the Vice President of Operations. This position has responsibility for all MSE Branded Foods restaurant operations and reports directly to the President of MSE Branded Foods.

Jack Hough, the President of MSE Branded Foods, is highly involved in all MSE operations and will provide strong leadership and support to the operations team to insure that all company standards and expectations are being met.

Staffing Metrics

MSE has developed a keen understanding of an airport's unique staffing needs. MSE Branded Food's level of staffing is determined by a "sales per man hour" matrix. This system is used to determine the amount of staff needed for every hour of the workday.

This matrix system is implemented initially through consultation with our branded partners to determine the needs of each individual concept and is reviewed weekly by the onsite management team and the corporate operations support team with the outcome of having the right amount of staff at the right time in the right area.

In addition, all restaurant staff are cross trained in several different areas of the operation thereby allowing us the ability to move staff as needed for additional support throughout the day.



MSE will meet the airport's minimum hours of operation in all locations during normal travel seasons. MSE will also have the ability to exceed normal operating hours during times of elevated travel such as holiday seasons and peak vacation times.

Employee Retention

MSE Branded Foods understands the importance of a consistent, reliable team and as such, we will staff the location with the best possible candidates utilizing an above average pay structure with timely performance evaluations.

In addition, MSE provides a variety of benefit programs such as health, dental and vision insurance opportunities for all full time employees, annual paid time off for full and part time staff members and annual retention bonuses for all team members. This is supplemented by a generous employee of the month program and a large variety of sales and service contests to increase sales and staff motivation.

Employee Training Program

The MSE Branded Foods training program will start with the interview and job history process including job expectations, those deemed as possible candidates will be submitted for an extensive background check. Upon actual hiring, the candidate will start with an orientation program that incorporates security requirements, MSE Branded Foods operational standards and policies and the employee's rights and benefits. Positional training will include a combination of training manuals and/or training videos in conjunction with on the job training for all areas of the operation. MSE Branded Foods places great emphasis on cross training to insure proper staffing of all outlets.

MSE has a strong commitment to training. The entire scope of MSE's training programs integrates both in-house developed programs as well as professionally marketed training programs. We consistently use many different formats when conducting training programs and developing training development materials. We will integrate many of the following:



- ⇒ Inter/Intranet training program with interactive capability.
- ⇒ Video format programs on recipe usage and enhancing production skills.
- ⇒ Manuals specific to individual positions, establishing minimum levels of performances and methodologies to achieve and maintain same.
- ⇒ A consistent performance review system geared to educate and reward, as well as evaluate.



- ⇒ A management belief that culinary training "In the Kitchen," one on one, will substantially improve people's opportunities and the product they produce.
- ⇒ A company/supplier team approach to education and training in the areas of safety, ecology, hazard material handling, OSHA regulations, etc.
- ⇒ One-on-one interactive training for management and hourly employees, which increases skill and competency, levels.

MSE works closely with the National Restaurant Association (NRA) and continually partners with them in certifying our management in the areas of:

- ⇒ Food, Safety and Sanitation
- ⇒ Customer and Employee Safety
- ⇒ Responsible Alcohol Service
- ⇒ Food Service Management Professional (FMP)

Training Program Synopsis

The following programs represent the foundation of a commitment to people development. They are the building blocks that provide for individual growth, measurable achievement and career progression.

HOURLY WORKFORCE DEVELOPMENT

Hourly workforce development, on-location training and coaching system, is under the direction of on-site management. They instruct the hourly force **how to** and **why to** perform their job assignments. They also provide resource material and videotapes to reinforce **what** was learned.

This system is designed for the purpose of increasing productivity and developing certain skills and habits. As employees progress through the program they are made aware of the company's expectations of them. They are taught necessary job skills and they learn how they may advance from beginning hourly employees to more senior hourly positions and even to management positions.



Part One (1)...Orientation

The purpose of this program is to acquaint the employees with the history of MSE, the services we provide and our objectives. The employees will learn what is expected of them and how they will be trained.

Part Two (2)...Training

This is the actual training for the hourly employees. It is done on-site using videotapes, study kits, and the Operations Manual. The training process requires that the dining services manager evaluate the employee's progress through a knowledge test, actual demonstration of the task and a performance review. The system is designed so that an employee can be cross-trained and as a result, increase their skills and value to the company.

Part Three (3)...Career Progression System

Hourly employees have the opportunity to increase their knowledge, skills and productivity. As they learn more they are able to advance into the Management Development Program.

The reward for success and progress in this program may be promotional opportunity, increased compensation and self-fulfillment or certificates. This program raises employee morale, productivity and reduces turnover.

DEVELOPMENT AT DINING FACILITY LEVEL – MANAGER TRAINEE

MSE's management training programs are constantly updated and adapted to suit the needs of the client and the company. These programs reflect the policies, standards and procedures of each facility and the company.

The program is designed based on the following characteristics:

- The program specifies in performance terms what is to be learned.
- The program utilizes a MSE operations unit as the most realistic learning environment.
- The program allows the trainee to pace the speed of the learning.
- The program requires the trainee to demonstrate mastery of the learning results and specifies criteria for evaluating performance.
- The program provides a system for immediate and continuous feedback on learning performance.
- The program requires trainees to direct the learning.

Unit Manager Training

Advanced skills training provide an opportunity for managers to improve their management performance by increasing their skills in management and the motivation of their employees.



At the completion of this training the manager will be prepared to maintain company standards, implement positive motivational techniques, evaluate and enhance employee skills, recruit employees more effectively and develop the conceptual skills necessary for successful dining services management.

ONGOING TRAINING

Supplemental training provides working knowledge of the following major areas of responsibilities:

- Food Service Production
- Executive Dining/Catering
- Sanitation
- Safety/Security
- Ordering/Receiving/Storage
- Culinary Preview
- Client/Customer Relations
- Accounting/Bookkeeping
- Menu Management
- Forecasting/Budgeting
- Operational Controls
- Restaurant / Vending Service
- Garnishing/Merchandising
- Human Resources/Personnel
- Equipment/Facility Maintenance
- Issuing/Inventory Control
- Waste Control
- Labor Relations
- Cash Control
- Food/Vending Promotions
- Operational Review
- Quality Assurance

DEVELOPMENTAL TRAINING

- Managing Interpersonal Relationships
- Effective Business Meetings
- Effective Business Presentations
- Positive Power & Influence
- Staff Effectiveness Workshop
- Finance for the Non-Financial Manager
- Front-line Leadership
- Effective Business Writing

ACDBE Management Responsibilities

The ACDBE shall have the following responsibilities:

- Serve on the Management Committee and meet monthly with the Management Committee to evaluate the Company's performance and identify new areas of opportunity.
- Ensure the Company's compliance with all Franchise requirements.
- Assist and advise through written reporting to the Company, the needs of the local community as they relate to the Company's business.



- Participate in airport related concession seminars, forums and discussion groups, as recommended by the Company, through which increased knowledge and expertise of the operations, aims and goals of the Company may be developed and extended.
- Seek out, identify and encourage the employment of women and minority group members for all levels of positions within the Company.

Dress Code

The location management team led by the General Manager will insure that each employee maintains the high uniform standards prescribed by each franchise. Compliance will further be monitored by the MSE Branded Foods corporate operations support team utilizing our unit evaluation form.



Maintenance Plan

The Maintenance program utilized by MSE Branded Foods commences when we assume operations with the contracting of a local company to provide quarterly maintenance on all kitchen equipment including but not limited to refrigeration, exhaust hoods and cooking equipment. The following outlines MSE Branded Foods operational and maintenance plan.

First, the location General Manager will maintain a weekly cleaning schedule to include all equipment and facility structures such as counters and walls. In addition, the General Manager will also submit a maintenance log that notes any equipment issues or repairs needed.

Second, the Location General Manager will then submit monthly all completed cleaning and maintenance schedules to the Regional Director of Operations. This position is based in the MSE Branded Foods corporate office and has direct oversight responsibility for the location.

Third, the Regional Director of Operations will conduct monthly inspections of the location to insure that MSE Branded Foods high standards in operations, cleanliness and sanitation are being met or exceeded.

In addition, all local and national brands will conduct periodic inspections of their restaurants to confirm that MSE Branded Foods is meeting or exceeding the standards and guidelines expected by their respective brands.

MSE Branded Foods accepts all major credit and debit cards.

Point of Sale Equipment

MSE Branded Foods utilizes the Maitre'D cash register system by Posera. This system allows us to maintain strict oversight of all transactions on the system in our back office located onsite at the airport as well as from the MSE Branded Foods corporate office.

This system allows MSE to follow sales trends, helps us to determine proper staff scheduling for all day parts and determine menu item sales trends. In addition, MSE also has the ability to review each and every order transaction from the corporate office as well.



Customer Service Approach



MSE Branded Foods has always worked hard to gain recognition as the Premier Quality Foodservice Management Company serving airports and other selected markets.

These quality initiatives have since been integrated throughout our organization. Each activity, innovation, promotion and operational theme reflects MSE's foundation of quality. Each associate is thought of as an individual and a team member.

To reinforce our philosophy and commitment to quality, MSE incorporates appreciation, recognition and incentive programs, to acknowledge the contributions and achievements of our associates.

Quality Goals & Plans

MSE's overriding operating philosophy is one of service excellence. Our guests and clients deserve and expect the highest quality food at the best possible value. To ensure that this commitment is met, MSE actively and continuously solicits the comments of our clients and customers.

Comment cards are also readily available for our customers and clients. Feedback from these cards is analyzed and appropriate action taken to address our guest concerns. MSE provides a forum for all customers and clients to review guest comments and appraise action taken.

Guest and client surveys are regularly conducted to determine the primary concerns of our individual guests and how their needs are met. The results of these surveys assist MSE in determining how best to exceed our guest and client expectations.

The success of these programs can best be measured by the response of our guests and clients themselves. MSE has successfully implemented methods to identify **issues** of concern, **develop** programs to address and respond to these issues, **inform** them of our actions and **re-evaluate** our performance to ensure that our actions continue to exceed our customer's expectations.



Our commitment to quality first addresses our guests and clients. It is MSE's mission to exceed expectations in every service area, whether this is in the products we offer, the service provided, or the standards with which we manage the account. Every procedure developed by MSE for its operations reflects this philosophy.

Our standards of performance reinforce the fact that quality is the cornerstone upon which we build our guest and client relationships. Our "Customer Quality Experience" process is the foundation of our operational philosophy.

Operational Standards/Commitment to Quality

MSE's Quality Assurance Program's objective is to produce and maintain quality food products and service at the lowest possible cost consistent with MSE's quality standards and sound business practices.

The Program establishes written standards for the quality of food service, food and product specifications as well as sanitation and safety. These standards and specifications are reevaluated and updated yearly to reflect regulatory requirements, industry innovations and departmental visions and goals.

The most integral key to MSE's success is the customer and we feel we can best serve the customer by comprehensive internal education. All staff share our commitment to training and support. MSE makes regular visits to our operations evaluating performance and compliance to policy, but even more importantly, to administer an action plan to target deficiencies and provide hands on education with direct follow-up.

Managers are provided with many opportunities throughout the year to take continuing education classes, attend trade shows and various seminars and symposiums. This information is compiled for use during our planning meeting, where we develop goals and objectives for the upcoming year. Our program is designed to produce and maintain a quality operation for years to come.




We will measure Customer Satisfaction at Wichita Mid-Continent Airport by performing the following program:

- ❑ Unit Management interfaces with customers – daily.
- ❑ All team members are empowered to satisfy customer complaints.
- ❑ Customer comment cards conveniently placed throughout the dining areas.
- ❑ 110% Satisfaction guaranteed.
- ❑ Food and Beverage Service Survey.
- ❑ Customer Satisfaction Surveys – twice per year.
(Results measured at corporate not at unit)
- ❑ MSE Quality Assurance inspections - quarterly with immediate corrective actions.
- ❑ Annual client survey.

Handling of Guest Complaints

MSE's primary purpose is to exceed the expectations of our guests. We continuously strive to understand their wants and needs. MSE offers several means of providing guest communication. The following programs will be provided for our guests at Wichita Mid-Continent Airport:

- Guest Comment cards will be prominently displayed. The General Manager will answer each of the comments personally and file a report of the action taken to meet our guest's needs. The MSE Corporate Regional Director of Operations will contact any guest necessary to insure the guest's needs were handled promptly and with satisfaction. These reports are kept on file for review by Wichita Mid-Continent Airport.

| | |
|--|--|
|  | |
| The opinions and recommendations of our customers are always welcome. Kindly provide your comments below and a reply will be delivered immediately. | |
| Thank you for your patronage. | |
| Customer Comments | |
| <hr/> | |
| <hr/> | |
| <hr/> | |
| <hr/> | |
| <hr/> | |
| <hr/> | |
| <hr/> | |
| Submitted by: | |
| Location | |

- MSE's policy is 110% guest satisfaction. If our guests are not completely satisfied with their meal or the service, we will refund 110% of their entire meal price.



ATTACHMENT J

PROPOSER: MSE BRANDED FOODS

PROJECT COST ANALYSIS FORM

| <u>COST CATEGORY</u> | <u>AMOUNT</u> |
|-----------------------------------|---------------|
| Planning and Development | \$ 140,000 |
| Furniture, Fixtures and Equipment | \$ 2,482,500 |
| Opening Inventory | \$ 60,000 |
| Working Capital | \$ 125,000 |
| Miscellaneous Opening Expenses | \$ 50,000 |
| Pre-Opening Payroll & Training | \$ 50,000 |
| Reserve / Contingency | \$ 120,000 |
| Other: | |
| Franchise fees | \$ 45,000 |
| Total Estimated Project Cost | \$ 3,072,500 |

| <u>Sources of Funding</u> | <u>Amount</u> |
|---------------------------|---------------|
| Owner Equity | \$ 3,072,500 |
| Total Funds Available | \$ 3,072,500 |

MSE BRANDED FOODS
Combined Financial Statements
December 31, 2013 and December 31, 2012

MSE BRANDED FOODS

TABLE OF CONTENTS

| | <u>Page Number</u> |
|--|---------------------------|
| Accountants' Compilation Report | 1 |
| Statements of Assets, Liabilities, Retained Earnings & Members' Equity – Income Tax Basis | 2-3 |
| Statements of Revenues, Expenses, Retained Earnings & Members' Equity – Income Tax Basis | 4-6 |

Henry & Company, LLP
PO Box 637
Gainesville, Georgia 30503

ACCOUNTANT'S COMPILATION REPORT

MSE BRANDED FOODS
GAINESVILLE, GA 30501

We have compiled the accompanying combined Statements of Assets, Liabilities, Retained Earnings & Members' Equity - Income Tax Basis of MSE Branded Foods of Chicago, LLC; MSE Hospitality - Dawsonville, Inc.; MSE International of Florida, LLC; MSE Branded Foods of Greenville, LLC; MSE Branded Foods of Gulfport-Biloxi, LLC; Gulfport Food Systems, LLC; MSE Branded Foods of Illinois, LLC; MSE Branded Foods of Illinois II, LLC; MSE International, LLC; MSE Hospitality Kensington, Inc.; Merrimack Food Systems, LLC; MSE Branded Foods of Michigan, LLC; MSE Myrtle Beach, LLC; Nashville Food Systems, LLC; MSE Branded Foods of South Carolina, LLC; St. Louis Food Systems, LLC; and MSE Hospitality Wrentham Food Systems, LLC (under common management) as of December 31, 2013 and December 31, 2012, and the related combined Statements of Revenues, Expenses, Retained Earnings & Members' Equity - Income Tax Basis, for the 12 month periods then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the income tax basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the income tax basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures and the statements of cash flows ordinarily included in financial statements prepared in accordance with the income tax basis of accounting. If the omitted disclosures and the statements of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to MSE BRANDED FOODS.

Henry & Company, LLP

Henry & Company, LLP

February 28, 2014

MSE Branded Foods
Combined Statements of Assets, Liabilities, Retained Earnings
and Members' Equity - Income Tax Basis
December 31, 2013 and December 31, 2012

| ASSETS | <u>2013</u> | <u>2012</u> |
|-----------------------------------|-------------------------------|-------------------------------|
| CURRENT ASSETS | | |
| Cash on Hand | \$ 76,900.00 | \$ 78,250.00 |
| Cash In Bank | 762,288.93 | 768,502.17 |
| Fidelity Investments | 1,071.00 | 1,071.00 |
| Accounts Receivable | 160,157.50 | 156,487.65 |
| Allowance for Doubtful Accounts | (1,418.07) | (2,784.76) |
| Inventory | 361,884.75 | 314,747.31 |
| Prepaid Expenses | 44,211.18 | 30,592.96 |
| Total Current Assets | <u>1,405,095.29</u> | <u>1,346,866.33</u> |
| PROPERTY AND EQUIPMENT | | |
| Leasehold Improvements | 6,319,533.88 | 4,977,565.46 |
| Equipment | 5,313,301.40 | 4,754,429.75 |
| Less: Accumulated Depreciation | <u>(9,041,510.41)</u> | <u>(7,828,416.88)</u> |
| Net Property and Equipment | <u>2,591,324.87</u> | <u>1,903,578.33</u> |
| OTHER ASSETS | | |
| Construction in Progress | 45,548.95 | 13,940.00 |
| Security Deposits | 50,215.00 | 91,435.00 |
| Franchise Fees | 392,110.00 | 363,110.00 |
| Start - Up Cost | 505,741.17 | 409,088.17 |
| Less: Accumulated Amortization | <u>(365,417.73)</u> | <u>(358,898.92)</u> |
| Total Other Assets | <u>628,197.39</u> | <u>518,674.25</u> |
| TOTAL ASSETS | <u>\$ 4,624,617.55</u> | <u>\$ 3,769,118.91</u> |

MSE Branded Foods
Combined Statements of Assets, Liabilities, Retained Earnings
and Members' Equity - Income Tax Basis
December 31, 2013 and December 31, 2012

| LIABILITIES & EQUITY | <u>2013</u> | <u>2012</u> |
|--|-------------------------------|-------------------------------|
| CURRENT LIABILITIES | | |
| Accounts Payable | \$ 665,891.44 | \$ 575,551.56 |
| Accrued Expenses | 41,096.92 | 40,733.69 |
| Accrued Payroll | 278,523.65 | 375,956.73 |
| Accrued Liabilities | 9,128.19 | 11,063.37 |
| Sales Tax Payable | 157,791.12 | 166,948.26 |
| Income Tax Payable | 16,250.00 | - |
| Accrued Royalties | 11,507.04 | 7,077.37 |
| Accrued Vacation | 43,913.20 | 48,835.49 |
| Total Current Liabilities | <u>1,224,101.56</u> | <u>1,226,166.47</u> |
| LONG-TERM LIABILITIES | | |
| Shareholders/Members' Loans | - | 3,403,520.00 |
| Notes Payable - Airport Construction | - | 36,862.36 |
| N/P - Financial Institutions | 112,044.36 | 186,343.83 |
| Total Long-Term Liabilities | <u>112,044.36</u> | <u>3,626,726.19</u> |
| Total Liabilities | <u>1,336,145.92</u> | <u>4,852,892.66</u> |
| RETAINED EARNINGS & MEMBERS' EQUITY | | |
| Capital stock, \$10 par value, 400 shares authorized issued and outstanding | - | - |
| Paid in Capital | 8,000.00 | 8,000.00 |
| Members' Equity | 4,290,469.75 | (380,509.42) |
| Distributions | (1,846,126.06) | (1,865,875.00) |
| Retained Earnings | 142,806.51 | 152,104.26 |
| Net Income (Loss) | 693,321.43 | 1,002,506.41 |
| Total Retained Earnings & Members' Equity | <u>3,288,471.63</u> | <u>(1,083,773.75)</u> |
| TOTAL LIABILITIES, RETAINED EARNINGS & MEMBERS' EQUITY | <u>\$ 4,624,617.55</u> | <u>\$ 3,769,118.91</u> |

MSE Branded Foods
Combined Statements of Revenues, Expenses, Retained Earnings
and Members' Equity - Income Tax Basis
For the Periods Ended December 31, 2013 and December 31, 2012

| | <u>2013</u> | <u>2012</u> |
|---------------------------------------|----------------------|----------------------|
| SALES | | |
| Sales | \$ 25,520,787.76 | \$ 25,109,157.66 |
| Other Income | 135.45 | 24,161.00 |
| Vending Commissions | 60,279.84 | 87,506.20 |
| Total Sales | <u>25,581,203.05</u> | <u>25,220,824.86</u> |
| COST OF SALES | | |
| Cost of Goods Sold | <u>7,517,112.80</u> | <u>7,532,012.16</u> |
| Total Cost of Sales | <u>7,517,112.80</u> | <u>7,532,012.16</u> |
| LABOR COST | | |
| Employee Health Insurance | 205,633.92 | 188,057.64 |
| Insurance-Workers Comp | 92,421.00 | 133.00 |
| Payroll Taxes | 853,371.51 | 130,281.87 |
| Wages - Salary | 1,090,728.44 | 943,044.64 |
| Wages - Hourly | 4,725,779.88 | 4,756,814.82 |
| Overtime | 193,772.33 | 158,908.68 |
| Vacation Pay | 76,541.65 | 71,209.33 |
| Salaries - Bonus | 389,902.58 | 323,834.58 |
| Holiday Wages | 28,912.81 | 42,238.88 |
| Payroll Admin Fee | 241,663.94 | - |
| Other Personnel Expenses | - | 1,133,518.51 |
| Total Labor Costs | <u>7,898,728.06</u> | <u>7,748,041.95</u> |
| OPERATING EXPENSES | | |
| Advertising | 6,130.46 | 17,071.29 |
| Over/Short | 4,205.04 | 5,143.06 |
| Outside Serv-Training & Labor | 128,129.65 | 118,104.06 |
| Misc. Operating Expense | 15,949.25 | 12,676.32 |
| Linen | 68,615.73 | 64,129.52 |
| Uniforms | 35,936.84 | 40,901.23 |
| Repairs & Maintenance | 255,190.92 | 245,094.45 |
| Supplies | 306,356.30 | 297,931.47 |
| Total Operating Expenses | <u>820,514.19</u> | <u>801,051.40</u> |
| Net Controllable Income/(Loss) | <u>9,344,848.00</u> | <u>9,139,719.35</u> |

See Accountants' Compilation Report

4

MSE Branded Foods
Combined Statements of Revenues, Expenses, Retained Earnings
and Members' Equity - Income Tax Basis
For the Periods Ended December 31, 2013 and December 31, 2012

| | <u>2013</u> | <u>2012</u> |
|------------------------------|---------------------|---------------------|
| OCCUPANCY COSTS | | |
| Rent | 2,213,008.10 | 2,341,997.29 |
| Percentage Rent | 598,378.41 | 342,478.52 |
| Profit Sharing - GSP | - | 63,398.45 |
| Sanitation | 72,899.69 | 76,769.49 |
| Rent - CAM | 20,063.09 | 24,053.73 |
| Real Estate Tax | 129.03 | - |
| Equipment Lease Expense | 10,067.67 | 9,985.91 |
| Insurance | 149,626.24 | 141,728.50 |
| Utilities | 462,117.43 | 379,756.05 |
| Total Occupancy Costs | <u>3,526,289.66</u> | <u>3,380,167.94</u> |
| G&A COSTS | | |
| Credit Card Fees | 523,435.41 | 460,915.09 |
| Franchise & Royalty Fees | 811,880.38 | 818,889.79 |
| Bank Charges | 201,807.67 | 191,533.51 |
| Cable/Satellite Fees | 7,010.26 | 6,820.07 |
| Casual Labor | - | - |
| Contributions | - | 1,806.95 |
| Dues & Subscriptions | 2,910.33 | 2,030.00 |
| Design Services | 415.00 | - |
| Office Supplies | 24,897.63 | 29,129.88 |
| Postage & Freight | 20,484.71 | 19,340.61 |
| Legal & Accounting | 97,961.04 | 82,600.44 |
| Staff Meeting Expense | 15,802.27 | 16,409.60 |
| Taxes & Licenses | 63,837.40 | 71,857.72 |
| Telephone | 55,705.04 | 54,399.65 |
| Travel | 93,470.12 | 129,027.65 |
| Parking | 7,605.00 | 5,389.00 |
| Direct Corporate Overhead | 1,006,187.87 | 1,012,123.36 |
| Miscellaneous | 13,849.15 | 11,615.96 |
| Total G&A Costs | <u>2,947,259.28</u> | <u>2,913,889.28</u> |
| Net Operating Income | <u>2,871,299.06</u> | <u>2,845,662.13</u> |

See Accountants' Compilation Report

MSE Branded Foods
Combined Statements of Revenues, Expenses, Retained Earnings
and Members' Equity - Income Tax Basis
For the Periods Ended December 31, 2013 and December 31, 2012

| | <u>2013</u> | <u>2012</u> |
|--|-------------------------------|---------------------------------|
| OTHER INCOME (EXPENSES) | | |
| Interest Income | 115.93 | 150.05 |
| Interest Expense-Stockholders | - | (105,893.48) |
| Income Tax Expense | (146,672.75) | (68,010.67) |
| Interest Expense | (5,144.67) | (24,119.76) |
| HW Expenses | (161,787.71) | (146,199.10) |
| Bad Debt Expense | (1,140.03) | (7,535.55) |
| Gain/(Loss) on Fixed Assets | (42,857.31) | (269,033.63) |
| Amortization Expense | (69,422.93) | (70,115.72) |
| Depreciation Expense | <u>(1,751,068.16)</u> | <u>(1,152,397.86)</u> |
| Total Other Income(Expenses) | <u>(2,177,977.63)</u> | <u>(1,843,155.72)</u> |
| Net Income | 693,321.43 | 1,002,506.41 |
| Beginning Retained Earnings & Members' Equity | 4,433,276.26 | (228,405.16) |
| Distributions | <u>(1,846,126.06)</u> | <u>(1,865,875.00)</u> |
| Ending Retained Earnings & Members' Equity | <u><u>\$ 3,280,471.63</u></u> | <u><u>\$ (1,091,773.75)</u></u> |

See Accountants' Compilation Report

6

References

Bank References

1. United Community Bank
2. BB&T
3. Chattahoochee Bank

Address

351 Jesse Jewell Parkway, Gainesville, GA 30501
3485 Braselton Highway, Dacula, GA 30019
645 EE Butler Parkway, Gainesville, GA 30501

Contact

Rick Frazier
Mark Britt
Greg Barrett

Telephone

678-989-3571
678-571-7661
678-997-2304

Supplier References

Sysco Foods
Coca-Cola

Address

2225 Riverdale Rd., College Park, GA 30349
3200 Windy Hill Rd., East Tower, Suite 800, Atlanta, GA 30339

Contact

Erik McCoy
Sean Rogin

Telephone

404-513-1672
404-379-6280

ATTACHMENT I

To be returned with Proposal
PRO-FORMA OPERATING STATEMENT

Proposers are to submit a separate Pro-forma Operating Statement for each concession location using the format shown on the following page.

All Pro-forma Operating Statement sales estimates are to be based on the following enplaned passenger (EPAX) estimates for Terminal:

| | <u>Total EPAX</u> |
|-----------------|-------------------|
| Contract Year 1 | 794,500 |
| Contract Year 2 | 800,500 |
| Contract Year 3 | 821,500 |
| Contract Year 4 | 838,000 |
| Contract Year 5 | 844,000 |

WICHITA AIRPORT AUTHORITY

WICHITA MID-CONTINENT AIRPORT

RFP NO. FP440014 FOOD AND BEVERAGE CONCESSIONS

PROPOSER: MSE BRANDED FOODS

The following assumptions were used in developing the Financial Projections attached:

Sales per Enplaned Passenger

Current - \$3.70

Projected (Year 1) - \$5.20

We believe that the current sales per EP is negatively impacted due to the predominantly "landside" concessions facilities. With the construction of the new Terminal, the primary concessions facilities will be located "airside", creating a much higher sales per EP, as is the national trend. In addition, new concepts featuring strong local and national brands will significantly boost overall sales.

Location 2 Pre-Security

Old Town Café

Sales Per Enplaned Passenger (Year 1) \$0.50

Our experience in similar sized Small Hub airports reflects that sales in pre-checkpoint locations is typically ten percent (10%) of overall airport sales.

Location 9 West End Concourse

Grab and Fly

Sales Per Enplaned Passenger (Year 1) \$0.50

This location will offer a quick Food and Beverage option for travelers in a hurry.

Location 11 Concourse Center

River City Brewing Company

Chick-fil-A

Dunkin' Donuts

Sales Per Enplaned Passenger (Year 1) \$3.50

This location, in the center of the concourse, will feature a strong local casual-dining restaurant and two of the dominant national brand QSRs. Dunkin' Donuts is the nation's number one leading specialty coffee company and will be a strong draw for morning traffic. Chick-fil-A is the number one QSR in per unit sales across the country. Business travelers have demonstrated an affinity for Chick-fil-A and we strongly feel the brand is the perfect fit for Wichita Mid-Continent Airport. For those seeking a more leisure meal, Wichita's own River City Brewing Company will offer up a casual dining experience and a lineup of freshly brewed craft beers.

Location 12 Concourse – Airfield Side

Air Capital Bar

Sales Per Enplaned Passenger (Year 1) \$0.70

Offering a prime location with outstanding views of the airfield, this location will feature a full-service bar. A light menu of appetizers, salads and sandwiches will be served.

UNIT PRO FORMAS - ACT 3 - FOOD & BEVERAGE LOCATIONS

PROPOSER: MSE BRANDED FOODS

SPACE LOCATION: All

SPACE NUMBER:

AREA: 15295

GROSS RECEIPTS (SALES)

Sales by category:

| | | | | | | | | | | |
|--------------------------------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| Food & Non-Alcoholic Beverages | \$ 3,376,625 | 81.7% | \$ 3,487,178 | 81.7% | \$ 3,668,126 | 81.7% | \$ 3,835,346 | 81.7% | \$ 3,959,377 | 81.7% |
| Alcoholic Beverages | \$ 754,775 | 18.3% | \$ 779,487 | 18.3% | \$ 819,934 | 18.3% | \$ 857,313 | 18.3% | \$ 885,037 | 18.3% |
| Employee Discount Sales | \$ - | 0.0% | \$ - | 0.0% | \$ - | 0.0% | \$ - | 0.0% | \$ - | 0.0% |
| Catering | \$ - | 0.0% | \$ - | 0.0% | \$ - | 0.0% | \$ - | 0.0% | \$ - | 0.0% |

| | | | | | | | | | | |
|----------------------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| Total Gross Receipts | \$ 4,131,400 | | \$ 4,266,665 | | \$ 4,488,060 | | \$ 4,692,659 | | \$ 4,844,414 | |
| Cost of Goods Sold | \$ 1,132,163 | 27.4% | \$ 1,169,230 | 27.4% | \$ 1,229,901 | 27.4% | \$ 1,285,969 | 27.4% | \$ 1,327,556 | 27.4% |
| Gross Profit | \$ 2,999,238 | 72.6% | \$ 3,097,435 | 72.6% | \$ 3,258,159 | 72.6% | \$ 3,406,690 | 72.6% | \$ 3,516,858 | 72.6% |
| Other Income: | | | | | | | | | | |

| | | | | | | | | | | |
|--------------------------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| Total Income net of COGS | \$ 2,999,238 | 72.6% | \$ 3,097,435 | 72.6% | \$ 3,258,159 | 72.6% | \$ 3,406,690 | 72.6% | \$ 3,516,858 | 72.6% |
|--------------------------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|

OPERATING EXPENSES

| | | | | | | | | | | |
|--|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| Payroll | \$ 1,079,535 | 26.1% | \$ 1,114,880 | 26.1% | \$ 1,172,730 | 26.1% | \$ 1,226,192 | 26.1% | \$ 1,265,845 | 26.1% |
| Payroll taxes and Employee Benefits | \$ 239,041 | 5.8% | \$ 246,868 | 5.8% | \$ 259,678 | 5.8% | \$ 271,516 | 5.8% | \$ 280,296 | 5.8% |
| Percentage Rent | \$ 428,236 | 10.4% | \$ 442,256 | 10.4% | \$ 465,205 | 10.4% | \$ 486,412 | 10.4% | \$ 502,142 | 10.4% |
| Franchise or license fees | \$ 191,872 | 4.6% | \$ 198,154 | 4.6% | \$ 208,436 | 4.6% | \$ 217,938 | 4.6% | \$ 224,986 | 4.6% |
| Repairs and Maintenance | \$ 20,657 | 0.5% | \$ 42,667 | 1.0% | \$ 44,881 | 1.0% | \$ 46,927 | 1.0% | \$ 48,444 | 1.0% |
| Support Space Rent | \$ - | 0.0% | \$ - | 0 | \$ - | 0 | \$ - | 0 | \$ - | 0 |
| Office, storage, distribution expenses | \$ 12,394 | 0.3% | \$ 12,800 | 0.003 | \$ 13,464 | 0.003 | \$ 14,078 | 0.003 | \$ 14,533 | 0.003 |
| Utilities | \$ 74,793 | 1.8% | \$ 76,288 | 1.8% | \$ 77,814 | 1.7% | \$ 79,370 | 1.7% | \$ 80,958 | 1.7% |
| Insurance | \$ 11,981 | 0.3% | \$ 12,221 | 0.3% | \$ 12,465 | 0.3% | \$ 12,714 | 0.3% | \$ 12,969 | 0.3% |
| Credit card fees | \$ 82,628 | 2.0% | \$ 85,333 | 2.0% | \$ 89,761 | 2.0% | \$ 93,853 | 2.0% | \$ 96,888 | 2.0% |
| Licenses and permits | \$ 12,394 | 0.3% | \$ 12,800 | 0.3% | \$ 13,464 | 0.3% | \$ 14,078 | 0.3% | \$ 14,533 | 0.3% |
| Administrative & General | \$ 208,636 | 5.1% | \$ 215,467 | 5.1% | \$ 226,647 | 5.1% | \$ 236,979 | 5.1% | \$ 244,643 | 5.1% |
| Other operating expenses: | | | | | | | | | | |
| Restaurant supplies | \$ 61,971 | 1.5% | \$ 64,000 | 1.5% | \$ 67,321 | 1.5% | \$ 70,390 | 1.5% | \$ 72,666 | 1.5% |
| Sanitation | \$ 3,305 | 0.1% | \$ 3,413 | 0.1% | \$ 3,590 | 0.1% | \$ 3,754 | 0.1% | \$ 3,876 | 0.1% |
| Uniforms | \$ 1,800 | 0.0% | \$ 1,836 | 0.0% | \$ 1,873 | 0.0% | \$ 1,910 | 0.0% | \$ 1,948 | 0.0% |
| POS Support | \$ 10,329 | 0.3% | \$ 10,667 | 0.3% | \$ 11,220 | 0.3% | \$ 11,732 | 0.3% | \$ 12,111 | 0.3% |
| Miscellaneous | \$ 33,051 | 0.8% | \$ 34,133 | 0.8% | \$ 35,904 | 0.8% | \$ 37,541 | 0.8% | \$ 38,755 | 0.8% |
| Total Operating Expenses | \$ 2,472,622 | 59.8% | \$ 2,573,782 | 60.3% | \$ 2,704,453 | 60.3% | \$ 2,825,384 | 60.2% | \$ 2,915,594 | 60.2% |

| | | | | | | | | | | |
|---|------------|-------|------------|-------|------------|-------|------------|-------|------------|-------|
| EBITDA | \$ 526,616 | 12.7% | \$ 523,652 | 12.3% | \$ 553,706 | 12.3% | \$ 581,305 | 12.4% | \$ 601,264 | 12.4% |
| Interest, Depreciation, & Amortization Expenses | \$ 307,250 | | \$ 307,250 | | \$ 307,250 | | \$ 307,250 | | \$ 307,250 | |

| | | | | | | | | | | |
|---------------------------------|------------|------|------------|------|------------|------|------------|------|------------|------|
| NET PROFIT OR LOSS BEFORE TAXES | \$ 219,366 | 5.3% | \$ 216,402 | 5.1% | \$ 246,456 | 5.5% | \$ 274,055 | 5.8% | \$ 294,014 | 6.1% |
|---------------------------------|------------|------|------------|------|------------|------|------------|------|------------|------|

| | | | | | | | | | | |
|------------------------------|-----------|--|-----------|--|-----------|--|-----------|--|-----------|--|
| Annual Gross Sales per sq ft | \$ 270.11 | | \$ 278.96 | | \$ 293.43 | | \$ 306.81 | | \$ 316.73 | |
|------------------------------|-----------|--|-----------|--|-----------|--|-----------|--|-----------|--|

| | | | | | | | | | | |
|---|---------|--|---------|--|---------|--|---------|--|---------|--|
| Annual Gross Sales per Emplaned Passenger | \$ 5.20 | | \$ 5.33 | | \$ 5.46 | | \$ 5.60 | | \$ 5.74 | |
|---|---------|--|---------|--|---------|--|---------|--|---------|--|

| | | | | | | | | | | |
|--|--|--|------|--|------|--|------|--|------|--|
| Annual percent change in Gross Sales from prior year | | | 3.3% | | 5.2% | | 4.6% | | 3.2% | |
|--|--|--|------|--|------|--|------|--|------|--|

UNIT PRO FORMAS - ACT 3 - FOOD & BEVERAGE LOCATIONS

PROPOSER: MSE BRANDED FOODS

SPACE LOCATION: Pre-Security

SPACE NUMBER: 2

AREA: 1560

| GROSS RECEIPTS (SALES) | Year 1 | | Year 2 | | Year 3 | | Year 4 | | Year 5 | |
|------------------------|------------|--|------------|--|------------|--|------------|--|------------|--|
| | % of Sales | | % of Sales | | % of Sales | | % of Sales | | % of Sales | |

Sales by category:

| | | | | | | | | | | | | | | | |
|--------------------------------|----|---------|-------|----|---------|-------|----|---------|-------|----|---------|-------|----|---------|-------|
| Food & Non-Alcoholic Beverages | \$ | 317,800 | 80.0% | \$ | 328,205 | 80.0% | \$ | 345,235 | 80.0% | \$ | 360,974 | 80.0% | \$ | 372,647 | 80.0% |
| Alcoholic Beverages | \$ | 79,450 | 20.0% | \$ | 82,051 | 20.0% | \$ | 86,309 | 20.0% | \$ | 90,243 | 20.0% | \$ | 93,162 | 20.0% |
| Employee Discount Sales | | | 0.0% | | | 0.0% | | | 0.0% | | | 0.0% | | | 0.0% |
| Catering | | | 0.0% | | | 0.0% | | | 0.0% | | | 0.0% | | | 0.0% |

| | | | | | | | | | | | | | | | |
|----------------------|----|---------|-------|----|---------|-------|----|---------|-------|----|---------|-------|----|---------|-------|
| Total Gross Receipts | \$ | 397,250 | | \$ | 410,256 | | \$ | 431,544 | | \$ | 451,217 | | \$ | 465,809 | |
| Cost of Goods Sold | \$ | 108,449 | 27.3% | \$ | 112,000 | 27.3% | \$ | 117,812 | 27.3% | \$ | 123,182 | 27.3% | \$ | 127,166 | 27.3% |
| Gross Profit | \$ | 288,801 | 72.7% | \$ | 298,256 | 72.7% | \$ | 313,733 | 72.7% | \$ | 328,035 | 72.7% | \$ | 338,643 | 72.7% |
| Other Income: | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | | |
|--------------------------|----|---------|-------|----|---------|-------|----|---------|-------|----|---------|-------|----|---------|-------|
| Total Income net of COGS | \$ | 288,801 | 72.7% | \$ | 298,256 | 72.7% | \$ | 313,733 | 72.7% | \$ | 328,035 | 72.7% | \$ | 338,643 | 72.7% |
|--------------------------|----|---------|-------|----|---------|-------|----|---------|-------|----|---------|-------|----|---------|-------|

OPERATING EXPENSES

| | | | | | | | | | | | | | | | |
|--|----|---------|-------|----|---------|-------|----|---------|-------|----|---------|-------|----|---------|-------|
| Payroll | \$ | 103,801 | 26.1% | \$ | 107,200 | 26.1% | \$ | 112,763 | 26.1% | \$ | 117,903 | 26.1% | \$ | 121,716 | 26.1% |
| Payroll taxes and Employee Benefits | \$ | 22,985 | 5.8% | \$ | 23,737 | 5.8% | \$ | 24,969 | 5.8% | \$ | 26,107 | 5.8% | \$ | 26,952 | 5.8% |
| Percentage Rent | \$ | 41,314 | 10.4% | \$ | 42,667 | 10.4% | \$ | 44,881 | 10.4% | \$ | 46,927 | 10.4% | \$ | 48,444 | 10.4% |
| Franchise or license fees | \$ | 4,767 | 1.2% | \$ | 4,923 | 1.2% | \$ | 5,179 | 1.2% | \$ | 5,415 | 1.2% | \$ | 5,590 | 1.2% |
| Repairs and Maintenance | \$ | 1,986 | 0.5% | \$ | 4,103 | 1.0% | \$ | 4,315 | 1.0% | \$ | 4,512 | 1.0% | \$ | 4,658 | 1.0% |
| Support Space Rent | | | 0.0% | | | 0 | | | 0 | | | 0 | | | 0 |
| Office, storage, distribution expenses | \$ | 1,192 | 0.3% | \$ | 1,231 | 0.3% | \$ | 1,295 | 0.3% | \$ | 1,354 | 0.3% | \$ | 1,397 | 0.3% |
| Utilities | \$ | 7,628 | 1.9% | \$ | 7,781 | 1.9% | \$ | 7,937 | 1.8% | \$ | 8,095 | 1.8% | \$ | 8,257 | 1.8% |
| Insurance | \$ | 1,152 | 0.3% | \$ | 1,175 | 0.3% | \$ | 1,199 | 0.3% | \$ | 1,223 | 0.3% | \$ | 1,247 | 0.3% |
| Credit card fees | \$ | 7,945 | 2.0% | \$ | 8,205 | 2.0% | \$ | 8,631 | 2.0% | \$ | 9,024 | 2.0% | \$ | 9,316 | 2.0% |
| Licenses and permits | \$ | 1,192 | 0.3% | \$ | 1,231 | 0.3% | \$ | 1,295 | 0.3% | \$ | 1,354 | 0.3% | \$ | 1,397 | 0.3% |
| Administrative & General | \$ | 20,061 | 5.1% | \$ | 20,718 | 5.1% | \$ | 21,793 | 5.1% | \$ | 22,786 | 5.1% | \$ | 23,523 | 5.1% |
| Other operating expenses: | | | 0.0% | | | 0 | | | 0 | | | 0 | | | 0 |
| Restaurant supplies | \$ | 5,959 | 1.5% | \$ | 6,154 | 1.5% | \$ | 6,473 | 1.5% | \$ | 6,768 | 1.5% | \$ | 6,987 | 1.5% |
| Sanitation | \$ | 318 | 0.1% | \$ | 328 | 0.1% | \$ | 345 | 0.1% | \$ | 361 | 0.1% | \$ | 373 | 0.1% |
| Uniforms | | 450 | 0.1% | | 459 | 0.1% | | 468 | 0.1% | | 478 | 0.1% | | 487 | 0.1% |
| POS Support | \$ | 993 | 0.3% | \$ | 1,026 | 0.3% | \$ | 1,079 | 0.3% | \$ | 1,128 | 0.3% | \$ | 1,165 | 0.3% |
| Miscellaneous | \$ | 3,178 | 0.8% | \$ | 3,282 | 0.8% | \$ | 3,452 | 0.8% | \$ | 3,610 | 0.8% | \$ | 3,726 | 0.8% |
| Total Operating Expenses | \$ | 224,921 | 56.6% | \$ | 234,219 | 57.1% | \$ | 246,072 | 57.0% | \$ | 257,044 | 57.0% | \$ | 265,236 | 56.9% |

| | | | | | | | | | | | | | | | |
|--------|----|--------|-------|----|--------|-------|----|--------|-------|----|--------|-------|----|--------|-------|
| EBITDA | \$ | 63,880 | 16.1% | \$ | 64,037 | 15.6% | \$ | 67,660 | 15.7% | \$ | 70,991 | 15.7% | \$ | 73,407 | 15.8% |
|--------|----|--------|-------|----|--------|-------|----|--------|-------|----|--------|-------|----|--------|-------|

| | | | | | | | | | | | | | | | |
|---|----|--------|--|----|--------|--|----|--------|--|----|--------|--|----|--------|--|
| Interest, Depreciation, & Amortization Expenses | \$ | 25,900 | | \$ | 25,900 | | \$ | 25,900 | | \$ | 25,900 | | \$ | 25,900 | |
|---|----|--------|--|----|--------|--|----|--------|--|----|--------|--|----|--------|--|

| | | | | | | | | | | | | | | | |
|---------------------------------|----|--------|------|----|--------|------|----|--------|------|----|--------|-------|----|--------|-------|
| NET PROFIT OR LOSS BEFORE TAXES | \$ | 37,980 | 9.6% | \$ | 38,137 | 9.3% | \$ | 41,760 | 9.7% | \$ | 45,091 | 10.0% | \$ | 47,507 | 10.2% |
|---------------------------------|----|--------|------|----|--------|------|----|--------|------|----|--------|-------|----|--------|-------|

| | | | | | | | | | | | | | | | |
|------------------------------|----|--------|--|----|--------|--|----|--------|--|----|--------|--|----|--------|--|
| Annual Gross Sales per sq ft | \$ | 254.65 | | \$ | 262.98 | | \$ | 276.63 | | \$ | 289.24 | | \$ | 298.60 | |
|------------------------------|----|--------|--|----|--------|--|----|--------|--|----|--------|--|----|--------|--|

| | | | | | | | | | | | | | | | |
|---|----|------|--|----|------|--|----|------|--|----|------|--|----|------|--|
| Annual Gross Sales per Enplaned Passenger | \$ | 0.50 | | \$ | 0.51 | | \$ | 0.53 | | \$ | 0.54 | | \$ | 0.55 | |
|---|----|------|--|----|------|--|----|------|--|----|------|--|----|------|--|

| | | | | | | | | | | | | | | | |
|--|--|--|--|--|------|--|--|------|--|--|------|--|--|------|--|
| Annual percent change in Gross Sales from prior year | | | | | 3.3% | | | 5.2% | | | 4.6% | | | 3.2% | |
|--|--|--|--|--|------|--|--|------|--|--|------|--|--|------|--|

UNIT PRO FORMAS - ACT 3 - FOOD & BEVERAGE LOCATIONS

PROPOSER: MSE BRANDED FOODS

SPACE LOCATION:Pre-Security

SPACE NUMBER:3

AREA:400

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|------------|------------|-------------|-------------|-------------|
| GROSS RECEIPTS (SALES) | % of Sales | % of Sales | % of Sales | % of Sales | % of Sales |
| Sales by category: | | | | | |
| Food & Non-Alcoholic Beverages | \$ - | \$ - | \$ - | \$ - | \$ - |
| Alcoholic Beverages | \$ - | \$ - | \$ - | \$ - | \$ - |
| Employee Discount Sales | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| Catering | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |
| Total Gross Receipts | \$ - | \$ - | \$ - | \$ - | \$ - |
| Cost of Goods Sold | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Profit | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Income: | | | | | |
| Total Income net of COGS | \$ - | \$ - | \$ - | \$ - | \$ - |
| OPERATING EXPENSES | | | | | |
| Payroll | \$ - | \$ - | \$ - | \$ - | \$ - |
| Payroll taxes and Employee Benefits | \$ - | \$ - | \$ - | \$ - | \$ - |
| Percentage Rent | \$ - | \$ - | \$ - | \$ - | \$ - |
| Franchise or license fees | \$ - | \$ - | \$ - | \$ - | \$ - |
| Repairs and Maintenance | \$ - | \$ - | \$ - | \$ - | \$ - |
| Support Space Rent | \$ - | \$ - | \$ - | \$ - | \$ - |
| Office, storage, distribution expenses | \$ - | \$ - | \$ - | \$ - | \$ - |
| Utilities | \$ 1,956 | \$ 1,995 | \$ 2,035 | \$ 2,076 | \$ 2,117 |
| Insurance | \$ - | \$ - | \$ - | \$ - | \$ - |
| Credit card fees | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | \$ - | \$ - | \$ - | \$ - | \$ - |
| Administrative & General | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other operating expenses: | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restaurant supplies | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sanitation | \$ - | \$ - | \$ - | \$ - | \$ - |
| Uniforms | \$ - | \$ - | \$ - | \$ - | \$ - |
| POS Support | \$ - | \$ - | \$ - | \$ - | \$ - |
| Miscellaneous | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Operating Expenses | \$ 1,956 | \$ 1,995 | \$ 2,035 | \$ 2,076 | \$ 2,117 |
| EBITDA | \$ (1,956) | \$ (1,995) | \$ (2,035) | \$ (2,076) | \$ (2,117) |
| Interest, Depreciation, & Amortization Expenses | \$ 8,000 | \$ 8,000 | \$ 8,000 | \$ 8,000 | \$ 8,000 |
| NET PROFIT OR LOSS BEFORE TAXES | \$ (9,956) | \$ (9,995) | \$ (10,035) | \$ (10,076) | \$ (10,117) |
| Annual Gross Sales per sq ft | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual Gross Sales per Enplaned Passenger | \$ - | \$ - | \$ - | \$ - | \$ - |
| Annual percent change in Gross Sales from prior year | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! | #DIV/0! |

UNIT PRO FORMAS - ACT 3 - FOOD & BEVERAGE LOCATIONS

PROPOSER: MSE BRANDED FOODS

SPACE LOCATION: Office / Support

SPACE NUMBER: 6

AREA: 150

| GROSS RECEIPTS (SALES) | Year 1 | | Year 2 | | Year 3 | | Year 4 | | Year 5 | |
|------------------------|------------|--|------------|--|------------|--|------------|--|------------|--|
| | % of Sales | | % of Sales | | % of Sales | | % of Sales | | % of Sales | |

Sales by category:

| | | | | | | | | | | | | |
|--------------------------------|----|---|---------|----|---|---------|----|---|---------|----|---|---------|
| Food & Non-Alcoholic Beverages | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Alcoholic Beverages | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Employee Discount Sales | | | #DIV/0! | | | #DIV/0! | | | #DIV/0! | | | #DIV/0! |
| Catering | | | #DIV/0! | | | #DIV/0! | | | #DIV/0! | | | #DIV/0! |

| | | | | | | | | | | | | |
|----------------------|----|---|---------|----|---|---------|----|---|---------|----|---|---------|
| Total Gross Receipts | \$ | - | | \$ | - | | \$ | - | | \$ | - | |
| Cost of Goods Sold | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Gross Profit | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Other Income: | | | | | | | | | | | | |

| | | | | | | | | | | | | |
|--------------------------|----|---|---------|----|---|---------|----|---|---------|----|---|---------|
| Total Income net of COGS | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
|--------------------------|----|---|---------|----|---|---------|----|---|---------|----|---|---------|

OPERATING EXPENSES

| | | | | | | | | | | | | |
|--|----|-----|---------|----|-----|---------|----|-----|---------|----|-----|---------|
| Payroll | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Payroll taxes and Employee Benefits | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Percentage Rent | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Franchise or license fees | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Repairs and Maintenance | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Support Space Rent | | | #DIV/0! | | | #DIV/0! | | | #DIV/0! | | | #DIV/0! |
| Office, storage, distribution expenses | \$ | - | #DIV/0! | | | #DIV/0! | | | #DIV/0! | | | #DIV/0! |
| Utilities | \$ | 734 | #DIV/0! | \$ | 748 | #DIV/0! | \$ | 763 | #DIV/0! | \$ | 778 | #DIV/0! |
| Insurance | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Credit card fees | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Licenses and permits | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Administrative & General | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Other operating expenses: | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Restaurant supplies | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Sanitation | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Uniforms | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| POS Support | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Miscellaneous | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! | \$ | - | #DIV/0! |
| Total Operating Expenses | \$ | 734 | #DIV/0! | \$ | 748 | #DIV/0! | \$ | 763 | #DIV/0! | \$ | 778 | #DIV/0! |

| | | | | | | | | | | | | |
|---|----|-------|---------|----|-------|---------|----|-------|---------|----|-------|---------|
| EBITDA | \$ | (734) | #DIV/0! | \$ | (748) | #DIV/0! | \$ | (763) | #DIV/0! | \$ | (778) | #DIV/0! |
| Interest, Depreciation, & Amortization Expenses | \$ | 3,000 | | \$ | 3,000 | | \$ | 3,000 | | \$ | 3,000 | |

| | | | | | | | | | | | | |
|---------------------------------|----|---------|---------|----|---------|---------|----|---------|---------|----|---------|---------|
| NET PROFIT OR LOSS BEFORE TAXES | \$ | (3,734) | #DIV/0! | \$ | (3,748) | #DIV/0! | \$ | (3,763) | #DIV/0! | \$ | (3,778) | #DIV/0! |
|---------------------------------|----|---------|---------|----|---------|---------|----|---------|---------|----|---------|---------|

| | | | | | | | | | | | | |
|------------------------------|----|---|--|----|---|--|----|---|--|----|---|--|
| Annual Gross Sales per sq ft | \$ | - | | \$ | - | | \$ | - | | \$ | - | |
|------------------------------|----|---|--|----|---|--|----|---|--|----|---|--|

| | | | | | | | | | | | | |
|---|----|---|--|----|---|--|----|---|--|----|---|--|
| Annual Gross Sales per Enplaned Passenger | \$ | - | | \$ | - | | \$ | - | | \$ | - | |
|---|----|---|--|----|---|--|----|---|--|----|---|--|

| | | | | | | | | | | | | |
|--|--|--|---------|--|--|---------|--|--|---------|--|--|---------|
| Annual percent change in Gross Sales from prior year | | | #DIV/0! | | | #DIV/0! | | | #DIV/0! | | | #DIV/0! |
|--|--|--|---------|--|--|---------|--|--|---------|--|--|---------|

UNIT PRO FORMAS - ACT 3 - FOOD & BEVERAGE LOCATIONS

PROPOSER: MSE BRANDED FOODS

SPACE LOCATION: West End of Concourse

SPACE NUMBER: 9

AREA: 1075

| GROSS RECEIPTS (SALES) | Year 1 | % of Sales | Year 2 | % of Sales | Year 3 | % of Sales | Year 4 | % of Sales | Year 5 | % of Sales |
|------------------------|--------|------------|--------|------------|--------|------------|--------|------------|--------|------------|
|------------------------|--------|------------|--------|------------|--------|------------|--------|------------|--------|------------|

Sales by category:

| | | | | | | | | | | |
|--------------------------------|------------|--------|------------|--------|------------|--------|------------|--------|------------|--------|
| Food & Non-Alcoholic Beverages | \$ 397,250 | 100.0% | \$ 410,256 | 100.0% | \$ 431,544 | 100.0% | \$ 451,217 | 100.0% | \$ 465,809 | 100.0% |
| Alcoholic Beverages | \$ - | 0.0% | \$ - | 0.0% | \$ - | 0.0% | \$ - | 0.0% | \$ - | 0.0% |
| Employee Discount Sales | | 0.0% | | 0.0% | | 0.0% | | 0.0% | | 0.0% |
| Catering | | 0.0% | | 0.0% | | 0.0% | | 0.0% | | 0.0% |

| | | | | | | | | | | |
|----------------------|------------|-------|------------|-------|------------|-------|------------|-------|------------|-------|
| Total Gross Receipts | \$ 397,250 | | \$ 410,256 | | \$ 431,544 | | \$ 451,217 | | \$ 465,809 | |
| Cost of Goods Sold | \$ 113,216 | 28.5% | \$ 116,923 | 28.5% | \$ 122,990 | 28.5% | \$ 128,597 | 28.5% | \$ 132,756 | 28.5% |
| Gross Profit | \$ 284,034 | 71.5% | \$ 293,333 | 71.5% | \$ 308,554 | 71.5% | \$ 322,620 | 71.5% | \$ 333,053 | 71.5% |
| Other Income: | | | | | | | | | | |

| | | | | | | | | | | |
|--------------------------|------------|-------|------------|-------|------------|-------|------------|-------|------------|-------|
| Total Income net of COGS | \$ 284,034 | 71.5% | \$ 293,333 | 71.5% | \$ 308,554 | 71.5% | \$ 322,620 | 71.5% | \$ 333,053 | 71.5% |
|--------------------------|------------|-------|------------|-------|------------|-------|------------|-------|------------|-------|

OPERATING EXPENSES

| | | | | | | | | | | |
|--|------------|-------|------------|-------|------------|-------|------------|-------|------------|-------|
| Payroll | \$ 103,801 | 26.1% | \$ 107,200 | 26.1% | \$ 112,763 | 26.1% | \$ 117,903 | 26.1% | \$ 121,716 | 26.1% |
| Payroll taxes and Employee Benefits | \$ 22,985 | 5.8% | \$ 23,737 | 5.8% | \$ 24,969 | 5.8% | \$ 26,107 | 5.8% | \$ 26,952 | 5.8% |
| Percentage Rent | \$ 39,725 | 10.0% | \$ 41,026 | 10.0% | \$ 43,154 | 10.0% | \$ 45,122 | 10.0% | \$ 46,581 | 10.0% |
| Franchise or license fees | \$ 5,959 | 1.5% | \$ 6,154 | 1.5% | \$ 6,473 | 1.5% | \$ 6,768 | 1.5% | \$ 6,987 | 1.5% |
| Repairs and Maintenance | \$ 1,986 | 0.5% | \$ 4,103 | 1.0% | \$ 4,315 | 1.0% | \$ 4,512 | 1.0% | \$ 4,658 | 1.0% |
| Support Space Rent | | 0.0% | | 0 | | 0 | | 0 | | 0 |
| Office, storage, distribution expenses | \$ 1,192 | 0.3% | \$ 1,231 | 0.3% | \$ 1,295 | 0.3% | \$ 1,354 | 0.3% | \$ 1,397 | 0.3% |
| Utilities | \$ 5,257 | 1.3% | \$ 5,362 | 1.3% | \$ 5,469 | 1.3% | \$ 5,579 | 1.2% | \$ 5,690 | 1.2% |
| Insurance | \$ 1,152 | 0.3% | \$ 1,175 | 0.3% | \$ 1,199 | 0.3% | \$ 1,223 | 0.3% | \$ 1,247 | 0.3% |
| Credit card fees | \$ 7,945 | 2.0% | \$ 8,205 | 2.0% | \$ 8,631 | 2.0% | \$ 9,024 | 2.0% | \$ 9,316 | 2.0% |
| Licenses and permits | \$ 1,192 | 0.3% | \$ 1,231 | 0.3% | \$ 1,295 | 0.3% | \$ 1,354 | 0.3% | \$ 1,397 | 0.3% |
| Administrative & General | \$ 20,061 | 5.1% | \$ 20,718 | 5.1% | \$ 21,793 | 5.1% | \$ 22,786 | 5.1% | \$ 23,523 | 5.1% |
| Other operating expenses: | | 0.0% | | 0 | | 0 | | 0 | | 0 |
| Restaurant supplies | \$ 5,959 | 1.5% | \$ 6,154 | 1.5% | \$ 6,473 | 1.5% | \$ 6,768 | 1.5% | \$ 6,987 | 1.5% |
| Sanitation | \$ 318 | 0.1% | \$ 328 | 0.1% | \$ 345 | 0.1% | \$ 361 | 0.1% | \$ 373 | 0.1% |
| Uniforms | \$ 450 | 0.1% | \$ 459 | 0.1% | \$ 468 | 0.1% | \$ 478 | 0.1% | \$ 487 | 0.1% |
| POS Support | \$ 993 | 0.3% | \$ 1,026 | 0.3% | \$ 1,079 | 0.3% | \$ 1,128 | 0.3% | \$ 1,165 | 0.3% |
| Miscellaneous | \$ 3,178 | 0.8% | \$ 3,282 | 0.8% | \$ 3,452 | 0.8% | \$ 3,610 | 0.8% | \$ 3,726 | 0.8% |
| Total Operating Expenses | \$ 222,152 | 55.9% | \$ 231,390 | 56.4% | \$ 243,173 | 56.3% | \$ 254,076 | 56.3% | \$ 262,203 | 56.3% |

| | | | | | | | | | | |
|---|-----------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|
| EBITDA | \$ 61,882 | 15.6% | \$ 61,944 | 15.1% | \$ 65,381 | 15.2% | \$ 68,544 | 15.2% | \$ 70,851 | 15.2% |
| Interest, Depreciation, & Amortization Expenses | \$ 18,900 | | \$ 18,900 | | \$ 18,900 | | \$ 18,900 | | \$ 18,900 | |

| | | | | | | | | | | |
|---------------------------------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|
| NET PROFIT OR LOSS BEFORE TAXES | \$ 42,982 | 10.8% | \$ 43,044 | 10.5% | \$ 46,481 | 10.8% | \$ 49,644 | 11.0% | \$ 51,951 | 11.2% |
|---------------------------------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|

| | | | | | | | | | | |
|------------------------------|-----------|--|-----------|--|-----------|--|-----------|--|-----------|--|
| Annual Gross Sales per sq ft | \$ 369.53 | | \$ 381.63 | | \$ 401.44 | | \$ 419.74 | | \$ 433.31 | |
|------------------------------|-----------|--|-----------|--|-----------|--|-----------|--|-----------|--|

| | | | | | | | | | | |
|---|---------|--|---------|--|---------|--|---------|--|---------|--|
| Annual Gross Sales per Enplaned Passenger | \$ 0.50 | | \$ 0.51 | | \$ 0.53 | | \$ 0.54 | | \$ 0.55 | |
|---|---------|--|---------|--|---------|--|---------|--|---------|--|

| | | | | | | | | | | |
|--|--|------|--|------|--|------|--|------|--|--|
| Annual percent change in Gross Sales from prior Year | | 3.3% | | 5.2% | | 4.6% | | 3.2% | | |
|--|--|------|--|------|--|------|--|------|--|--|

UNIT PRO FORMAS - ACT 3 - FOOD & BEVERAGE LOCATIONS

PROPOSER: MSE BRANDED FOODS

SPACE LOCATION:

Center

SPACE NUMBER:

11

AREA:

9935

| GROSS RECEIPTS (SALES) | Year 1 | | Year 2 | | Year 3 | | Year 4 | | Year 5 | |
|------------------------|--------|------------|--------|------------|--------|------------|--------|------------|--------|------------|
| | | % of Sales | | % of Sales | | % of Sales | | % of Sales | | % of Sales |

| | | | | | | | | | | |
|--------------------------------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| Sales by category: | | | | | | | | | | |
| Food & Non-Alcoholic Beverages | \$ 2,502,675 | 90.0% | \$ 2,584,614 | 90.0% | \$ 2,718,729 | 90.0% | \$ 2,842,668 | 90.0% | \$ 2,934,597 | 90.0% |
| Alcoholic Beverages | \$ 278,075 | 10.0% | \$ 287,179 | 10.0% | \$ 302,081 | 10.0% | \$ 315,852 | 10.0% | \$ 326,066 | 10.0% |
| Employee Discount Sales | | 0.0% | | 0.0% | | 0.0% | | 0.0% | | 0.0% |
| Catering | | 0.0% | | 0.0% | | 0.0% | | 0.0% | | 0.0% |

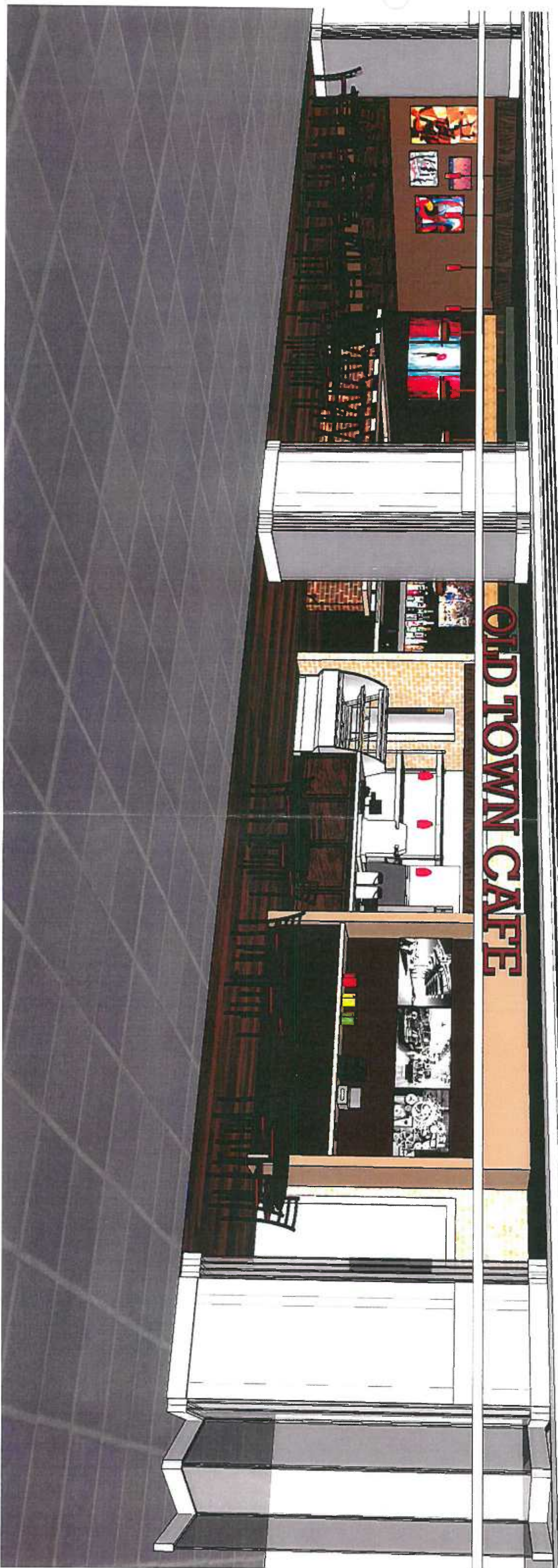
| | | | | | | | | | | |
|----------------------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| Total Gross Receipts | \$ 2,780,750 | | \$ 2,871,794 | | \$ 3,020,810 | | \$ 3,158,520 | | \$ 3,260,663 | |
| Cost of Goods Sold | \$ 775,829 | 27.9% | \$ 801,230 | 27.9% | \$ 842,806 | 27.9% | \$ 881,227 | 27.9% | \$ 909,725 | 27.9% |
| Gross Profit | \$ 2,004,921 | 72.1% | \$ 2,070,563 | 72.1% | \$ 2,178,004 | 72.1% | \$ 2,277,293 | 72.1% | \$ 2,350,938 | 72.1% |
| Other Income: | | | | | | | | | | |

| | | | | | | | | | | |
|--------------------------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| Total Income net of COGS | \$ 2,004,921 | 72.1% | \$ 2,070,563 | 72.1% | \$ 2,178,004 | 72.1% | \$ 2,277,293 | 72.1% | \$ 2,350,938 | 72.1% |
|--------------------------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|

| | | | | | | | | | | |
|--|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| OPERATING EXPENSES | | | | | | | | | | |
| Payroll | \$ 726,610 | 26.1% | \$ 750,400 | 26.1% | \$ 789,338 | 26.1% | \$ 825,321 | 26.1% | \$ 862,011 | 26.1% |
| Payroll taxes and Employee Benefits | \$ 160,893 | 5.8% | \$ 166,161 | 5.8% | \$ 174,783 | 5.8% | \$ 182,751 | 5.8% | \$ 188,661 | 5.8% |
| Percentage Rent | \$ 283,637 | 10.2% | \$ 292,923 | 10.2% | \$ 308,123 | 10.2% | \$ 322,169 | 10.2% | \$ 332,588 | 10.2% |
| Franchise or license fees | \$ 181,146 | 6.5% | \$ 187,077 | 6.5% | \$ 196,784 | 6.5% | \$ 205,755 | 6.5% | \$ 212,409 | 6.5% |
| Repairs and Maintenance | \$ 13,904 | 0.5% | \$ 28,718 | 1.0% | \$ 30,208 | 1.0% | \$ 31,585 | 1.0% | \$ 32,607 | 1.0% |
| Support Space Rent | | 0.0% | | 0 | | 0 | | 0 | | 0 |
| Office, storage, distribution expenses | \$ 8,342 | 0.3% | \$ 8,615 | 0.3% | \$ 9,062 | 0.3% | \$ 9,476 | 0.3% | \$ 9,782 | 0.3% |
| Utilities | \$ 48,582 | 1.7% | \$ 49,554 | 1.7% | \$ 50,545 | 1.7% | \$ 51,556 | 1.6% | \$ 52,587 | 1.6% |
| Insurance | \$ 8,064 | 0.3% | \$ 8,225 | 0.3% | \$ 8,390 | 0.3% | \$ 8,558 | 0.3% | \$ 8,729 | 0.3% |
| Credit card fees | \$ 55,615 | 2.0% | \$ 57,436 | 2.0% | \$ 60,416 | 2.0% | \$ 63,170 | 2.0% | \$ 65,213 | 2.0% |
| Licenses and permits | \$ 8,342 | 0.3% | \$ 8,615 | 0.3% | \$ 9,062 | 0.3% | \$ 9,476 | 0.3% | \$ 9,782 | 0.3% |
| Administrative & General | \$ 140,428 | 5.1% | \$ 145,026 | 5.1% | \$ 152,551 | 5.1% | \$ 159,505 | 5.1% | \$ 164,663 | 5.1% |
| Other operating expenses: | | 0.0% | | 0 | | 0 | | 0 | | 0 |
| Restaurant supplies | \$ 41,711 | 1.5% | \$ 43,077 | 1.5% | \$ 45,312 | 1.5% | \$ 47,378 | 1.5% | \$ 48,910 | 1.5% |
| Sanitation | \$ 2,225 | 0.1% | \$ 2,297 | 0.1% | \$ 2,417 | 0.1% | \$ 2,527 | 0.1% | \$ 2,609 | 0.1% |
| Uniforms | \$ 450 | 0.0% | \$ 459 | 0.0% | \$ 468 | 0.0% | \$ 478 | 0.0% | \$ 487 | 0.0% |
| POS Support | \$ 6,952 | 0.3% | \$ 7,179 | 0.3% | \$ 7,552 | 0.3% | \$ 7,896 | 0.3% | \$ 8,152 | 0.3% |
| Miscellaneous | \$ 22,246 | 0.8% | \$ 22,974 | 0.8% | \$ 24,166 | 0.8% | \$ 25,268 | 0.8% | \$ 26,085 | 0.8% |
| Total Operating Expenses | \$ 1,709,147 | 61.5% | \$ 1,778,737 | 61.9% | \$ 1,869,178 | 61.9% | \$ 1,952,868 | 61.8% | \$ 2,015,274 | 61.8% |
| EBITDA | \$ 295,774 | 10.6% | \$ 291,826 | 10.2% | \$ 308,826 | 10.2% | \$ 324,425 | 10.3% | \$ 335,664 | 10.3% |
| Interest, Depreciation, & Amortization Expenses | \$ 222,550 | | \$ 222,550 | | \$ 222,550 | | \$ 222,550 | | \$ 222,550 | |
| NET PROFIT OR LOSS BEFORE TAXES | \$ 73,224 | 2.6% | \$ 69,276 | 2.4% | \$ 86,276 | 2.9% | \$ 101,875 | 3.2% | \$ 113,114 | 3.5% |
| Annual Gross Sales per sq ft | \$ 279.89 | | \$ 289.06 | | \$ 304.06 | | \$ 317.92 | | \$ 328.20 | |
| Annual Gross Sales per Enplaned Passenger | \$ 3.50 | | \$ 3.59 | | \$ 3.68 | | \$ 3.77 | | \$ 3.86 | |
| Annual percent change in Gross Sales from prior year | | | 3.3% | | 5.2% | | 4.6% | | 3.2% | |

| UNIT PRO FORMAS - ACT 3 - FOOD & BEVERAGE LOCATIONS | | | | | | | | | | | | | | | | |
|--|--|--------|------------|--------|------------|---------|------------|--------|------------|--------|------------|---------|-------|------------|---------|-------|
| PROPOSER: MSE BRANDED FOODS | | | | | | | | | | | | | | | | |
| SPACE LOCATION: | | Center | | | | | | | | | | | | | | |
| SPACE NUMBER: | | 12 | | | | | | | | | | | | | | |
| AREA: | | 2175 | | | | | | | | | | | | | | |
| GROSS RECEIPTS (SALES) | | Year 1 | | Year 2 | | Year 3 | | Year 4 | | Year 5 | | | | | | |
| | | | % of Sales | | % of Sales | | % of Sales | | % of Sales | | % of Sales | | | % of Sales | | |
| Sales by category: | | | | | | | | | | | | | | | | |
| Food & Non-Alcoholic Beverages | | \$ | 158,900 | 28.6% | \$ | 164,103 | 28.6% | \$ | 172,618 | 28.6% | \$ | 180,487 | 28.6% | \$ | 186,324 | 28.6% |
| Alcoholic Beverages | | \$ | 397,250 | 71.4% | \$ | 410,266 | 71.4% | \$ | 431,544 | 71.4% | \$ | 451,217 | 71.4% | \$ | 465,809 | 71.4% |
| Employee Discount Sales | | | | 0.0% | | | 0.0% | | | 0.0% | | | 0.0% | | | 0.0% |
| Catering | | | | 0.0% | | | 0.0% | | | 0.0% | | | 0.0% | | | 0.0% |
| Total Gross Receipts | | \$ | 556,150 | | \$ | 574,359 | | \$ | 604,162 | | \$ | 631,704 | | \$ | 652,133 | |
| Cost of Goods Sold | | \$ | 134,668 | 24.2% | \$ | 139,077 | 24.2% | \$ | 146,293 | 24.2% | \$ | 152,963 | 24.2% | \$ | 157,909 | 24.2% |
| Gross Profit | | \$ | 421,482 | 75.8% | \$ | 435,282 | 75.8% | \$ | 457,868 | 75.8% | \$ | 478,741 | 75.8% | \$ | 494,223 | 75.8% |
| Other Income: | | | | | | | | | | | | | | | | |
| Total Income net of COGS | | \$ | 421,482 | 75.8% | \$ | 435,282 | 75.8% | \$ | 457,868 | 75.8% | \$ | 478,741 | 75.8% | \$ | 494,223 | 75.8% |
| OPERATING EXPENSES | | | | | | | | | | | | | | | | |
| Payroll | | \$ | 145,322 | 26.1% | \$ | 150,080 | 26.1% | \$ | 157,868 | 26.1% | \$ | 165,064 | 26.1% | \$ | 170,402 | 26.1% |
| Payroll taxes and Employee Benefits | | \$ | 32,179 | 5.8% | \$ | 33,232 | 5.8% | \$ | 34,957 | 5.8% | \$ | 36,550 | 5.8% | \$ | 37,732 | 5.8% |
| Percentage Rent | | \$ | 63,560 | 11.4% | \$ | 65,641 | 11.4% | \$ | 69,047 | 11.4% | \$ | 72,195 | 11.4% | \$ | 74,529 | 11.4% |
| Franchise or license fees | | \$ | - | 0.0% | \$ | - | 0.0% | \$ | - | 0.0% | \$ | - | 0.0% | \$ | - | 0.0% |
| Repairs and Maintenance | | \$ | 2,781 | 0.5% | \$ | 5,744 | 1.0% | \$ | 6,042 | 1.0% | \$ | 6,317 | 1.0% | \$ | 6,521 | 1.0% |
| Support Space Rent | | | | 0.0% | | | 0 | | | 0 | | | 0 | | | 0 |
| Office, storage, distribution expenses | | \$ | 1,668 | 0.3% | \$ | 1,723 | 0.3% | \$ | 1,812 | 0.3% | \$ | 1,895 | 0.3% | \$ | 1,956 | 0.3% |
| Utilities | | \$ | 10,636 | 1.9% | \$ | 10,848 | 1.9% | \$ | 11,065 | 1.8% | \$ | 11,287 | 1.8% | \$ | 11,512 | 1.8% |
| Insurance | | \$ | 1,613 | 0.3% | \$ | 1,645 | 0.3% | \$ | 1,678 | 0.3% | \$ | 1,712 | 0.3% | \$ | 1,746 | 0.3% |
| Credit card fees | | \$ | 11,123 | 2.0% | \$ | 11,487 | 2.0% | \$ | 12,083 | 2.0% | \$ | 12,634 | 2.0% | \$ | 13,043 | 2.0% |
| Licenses and permits | | \$ | 1,668 | 0.3% | \$ | 1,723 | 0.3% | \$ | 1,812 | 0.3% | \$ | 1,895 | 0.3% | \$ | 1,956 | 0.3% |
| Administrative & General | | \$ | 28,086 | 5.1% | \$ | 29,005 | 5.1% | \$ | 30,510 | 5.1% | \$ | 31,901 | 5.1% | \$ | 32,933 | 5.1% |
| Other operating expenses: | | | | 0.0% | | | 0 | | | 0 | | | 0 | | | 0 |
| Restaurant supplies | | \$ | 8,342 | 1.5% | \$ | 8,615 | 1.5% | \$ | 9,062 | 1.5% | \$ | 9,476 | 1.5% | \$ | 9,782 | 1.5% |
| Sanitation | | \$ | 445 | 0.1% | \$ | 459 | 0.1% | \$ | 483 | 0.1% | \$ | 505 | 0.1% | \$ | 522 | 0.1% |
| Uniforms | | | 450 | 0.1% | | 459 | 0.1% | | 468 | 0.1% | | 478 | 0.1% | | 487 | 0.1% |
| POS Support | | \$ | 1,390 | 0.3% | \$ | 1,436 | 0.3% | \$ | 1,510 | 0.3% | \$ | 1,579 | 0.3% | \$ | 1,630 | 0.3% |
| Miscellaneous | | \$ | 4,449 | 0.8% | \$ | 4,595 | 0.8% | \$ | 4,833 | 0.8% | \$ | 5,054 | 0.8% | \$ | 5,217 | 0.8% |
| Total Operating Expenses | | \$ | 313,712 | 56.4% | \$ | 326,693 | 56.9% | \$ | 343,232 | 56.8% | \$ | 358,541 | 56.8% | \$ | 369,970 | 56.7% |
| EBITDA | | \$ | 107,770 | 19.4% | \$ | 108,589 | 18.9% | \$ | 114,636 | 19.0% | \$ | 120,200 | 19.0% | \$ | 124,254 | 19.1% |
| Interest, Depreciation, & Amortization Expenses | | \$ | 28,900 | | \$ | 28,900 | | \$ | 28,900 | | \$ | 28,900 | | \$ | 28,900 | |
| NET PROFIT OR LOSS BEFORE TAXES | | \$ | 78,870 | 14.2% | \$ | 79,689 | 13.9% | \$ | 85,736 | 14.2% | \$ | 91,300 | 14.5% | \$ | 95,354 | 14.6% |
| Annual Gross Sales per sq ft | | \$ | 255.70 | | \$ | 264.07 | | \$ | 277.78 | | \$ | 290.44 | | \$ | 299.83 | |
| Annual Gross Sales per Emplanned Passenger | | \$ | 0.70 | | \$ | 0.72 | | \$ | 0.74 | | \$ | 0.75 | | \$ | 0.77 | |
| Annual percent change in Gross Sales from prior year | | | | | 3.3% | | | 5.2% | | | 4.6% | | | 3.2% | | |

THE AIR CAPITAL OF THE WORLD

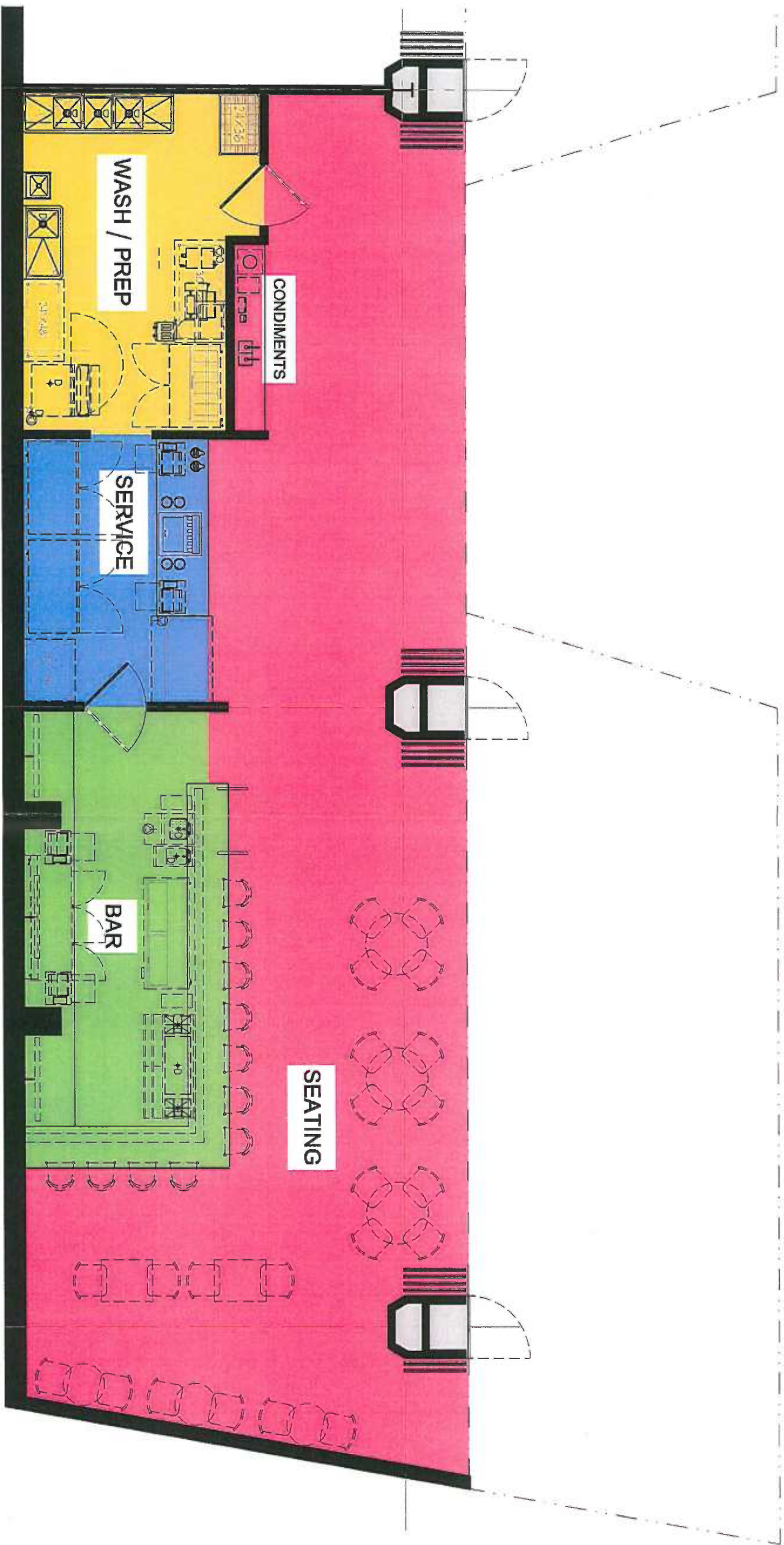


WICHITA THE AIR CAPITAL OF THE WORLD









OLD TOWN CAFÉ

SCALE: 3/16" = 1'-0"

D2.1



Laminate: Nevamar - Alive In
Memphis | A45



Laminate: Formica - Black
Walnut Matte Finish 3485-58



Black Bean SW 6006



Laminate: formica cocoa
maple 7739-58



Solid Surface: Cambria: Clyde

OLD TOWN CAFE

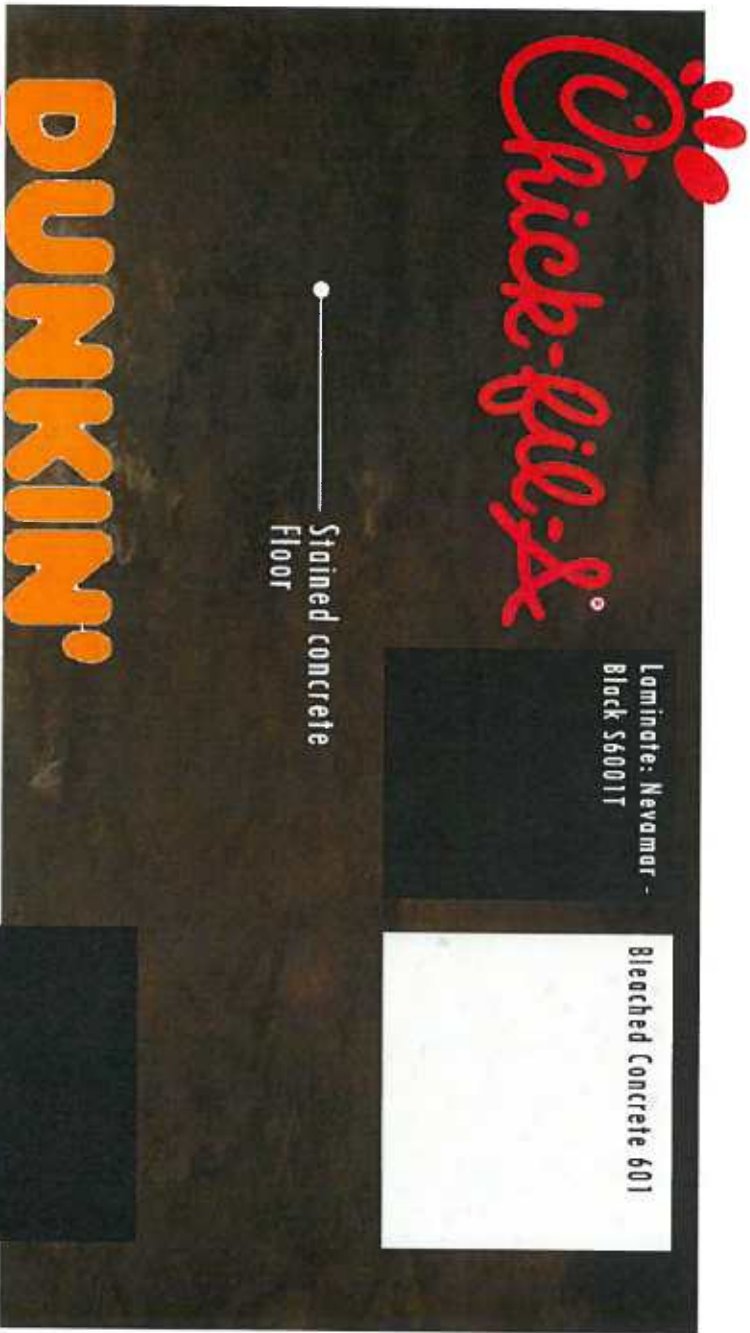
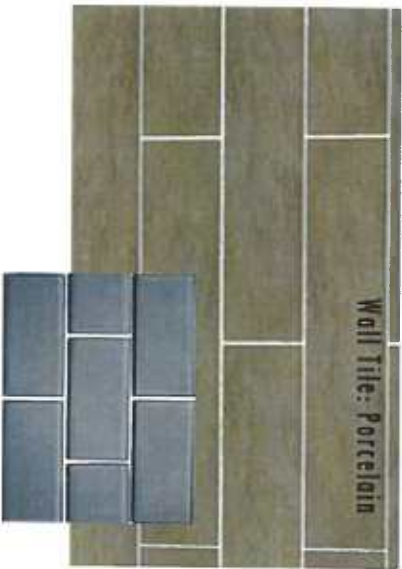
—●—
Tergo WP324 - Karndean Design
Flooring











Stained concrete
Floor



Laminate: Nevamar -
Black S6001T

Bleached Concrete 601



Solid Surface: Cambria - Cam-
brian Black 5320



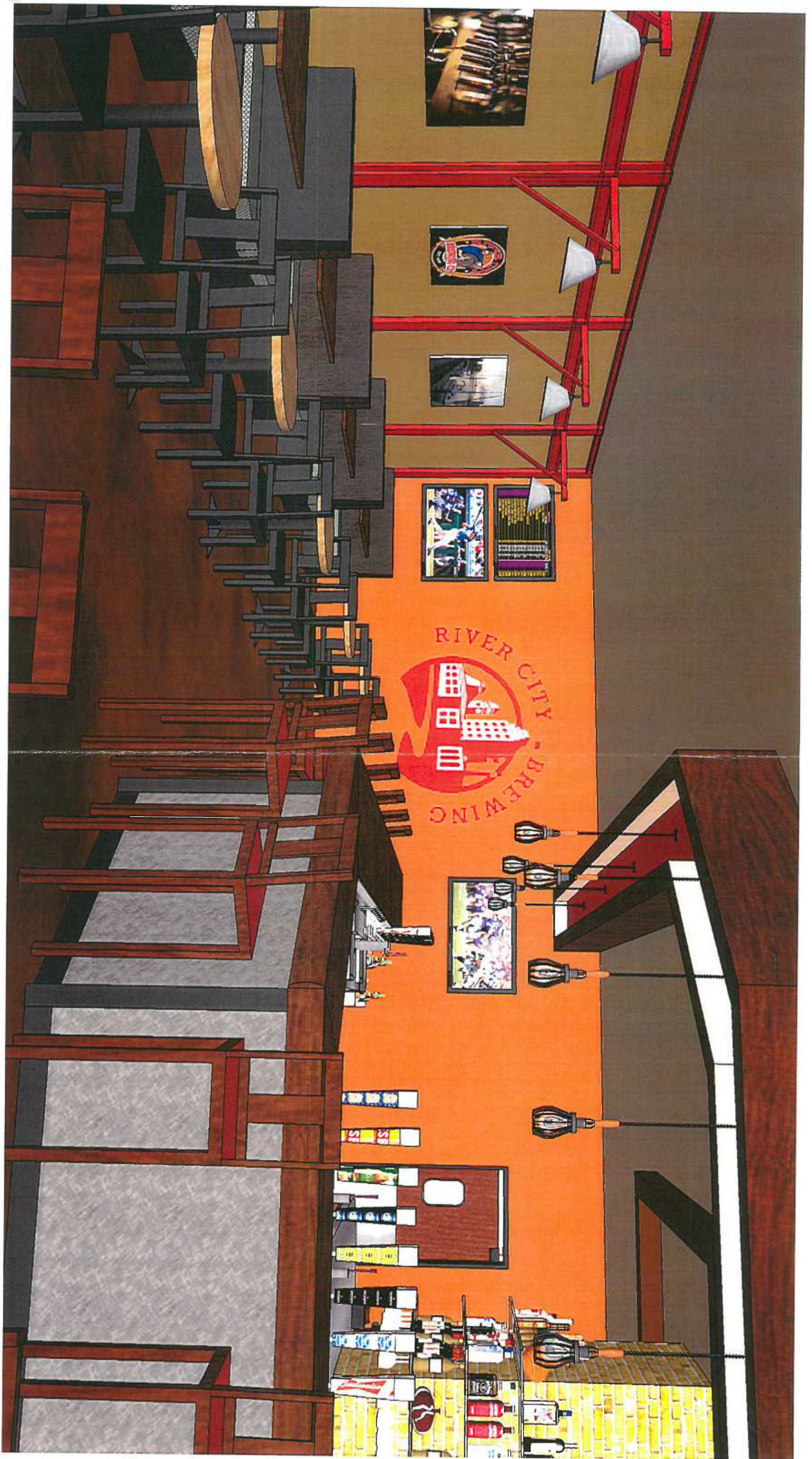
Dunkin' Donuts wall
covering



Navel SW 6887

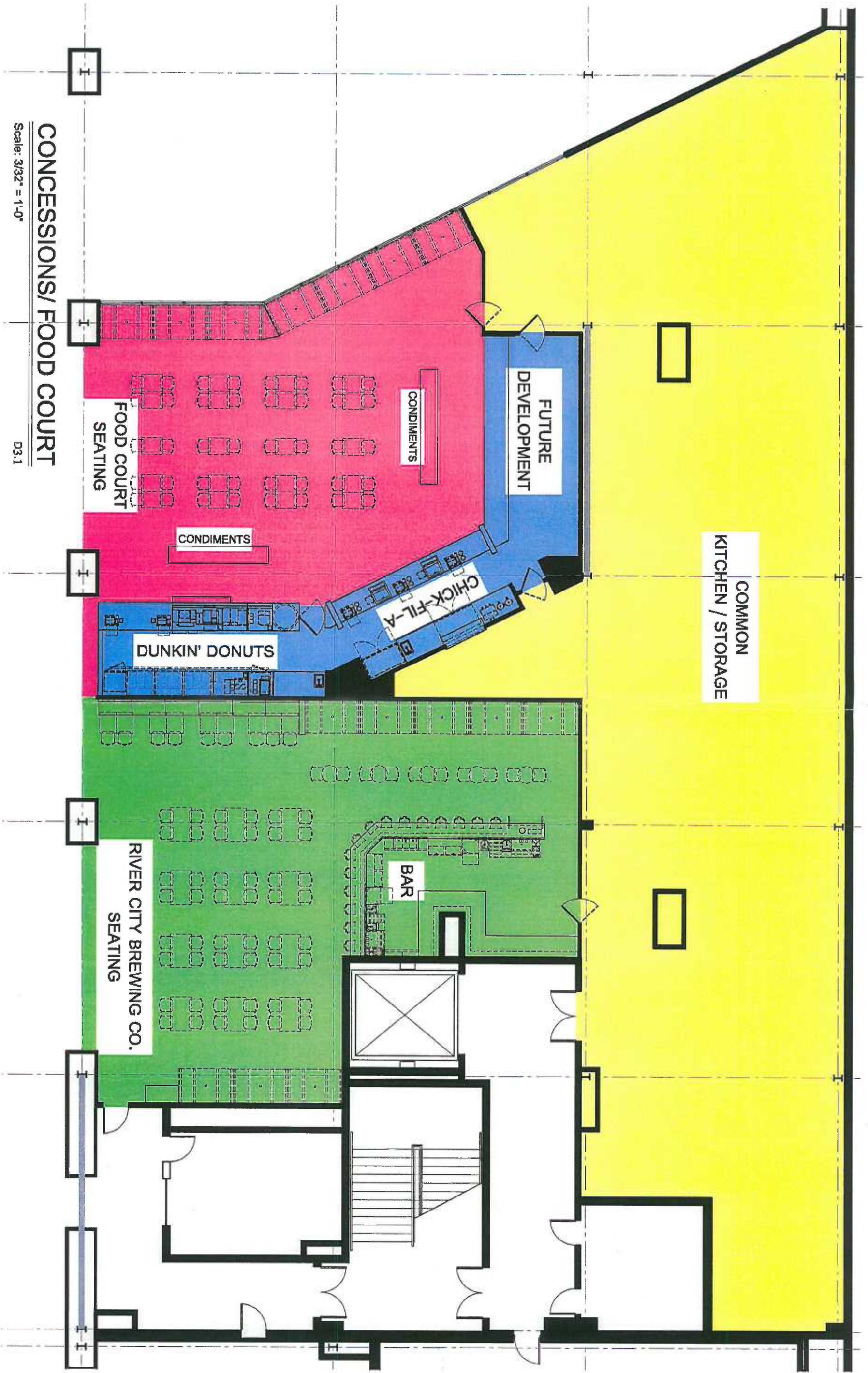


Laminate: formica cocoa
maple 7739-58









CONCESSIONS/ FOOD COURT

Scale: 3/32" = 1'-0"

D3.1



Laminate: Formica - Black
Walnut Matte Finish 3485-58



Laminate: formica cocoa
maple 7739-58



Wood Countertop



Seawall - Robinson
Brick Company



Laminate: Cemetol
Nomadic 414

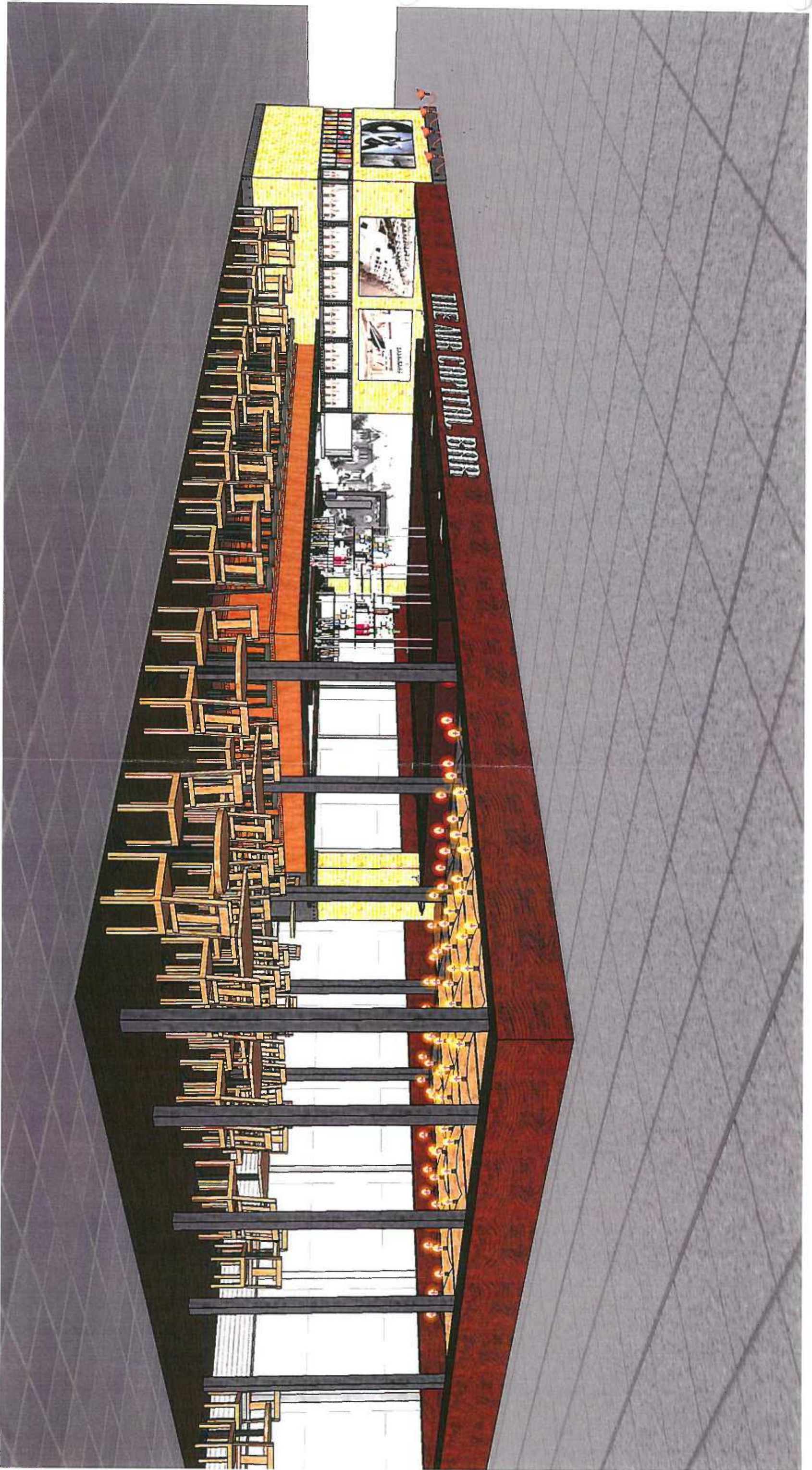
RIVER CITY BREWING COMPANY

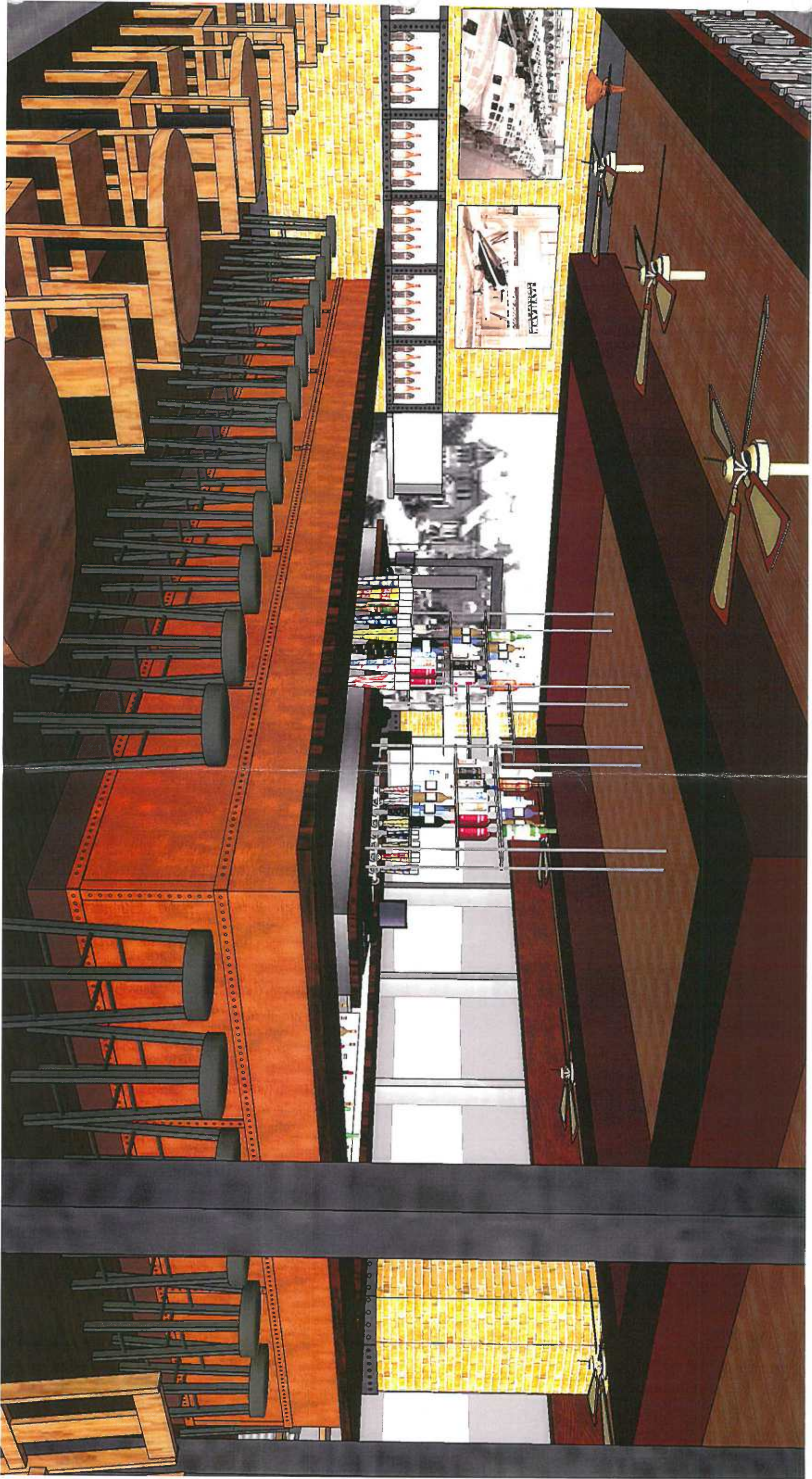
Karndean - R101 Spring
Oak



Stained concrete
floor











THE AIR CAPITAL BAR
SCALE: 1/8" = 1'-0"
D4.1



Wood Stains [columns, beams]



Metal Laminate [bar counterfront]



Hammered Metal [columns and posts]



Wood Countertop



Galvanized Corrugated Metal [wall right of bar]

Brick Veneer [Exterior Kitchen walls]



Rave Red SW 6608

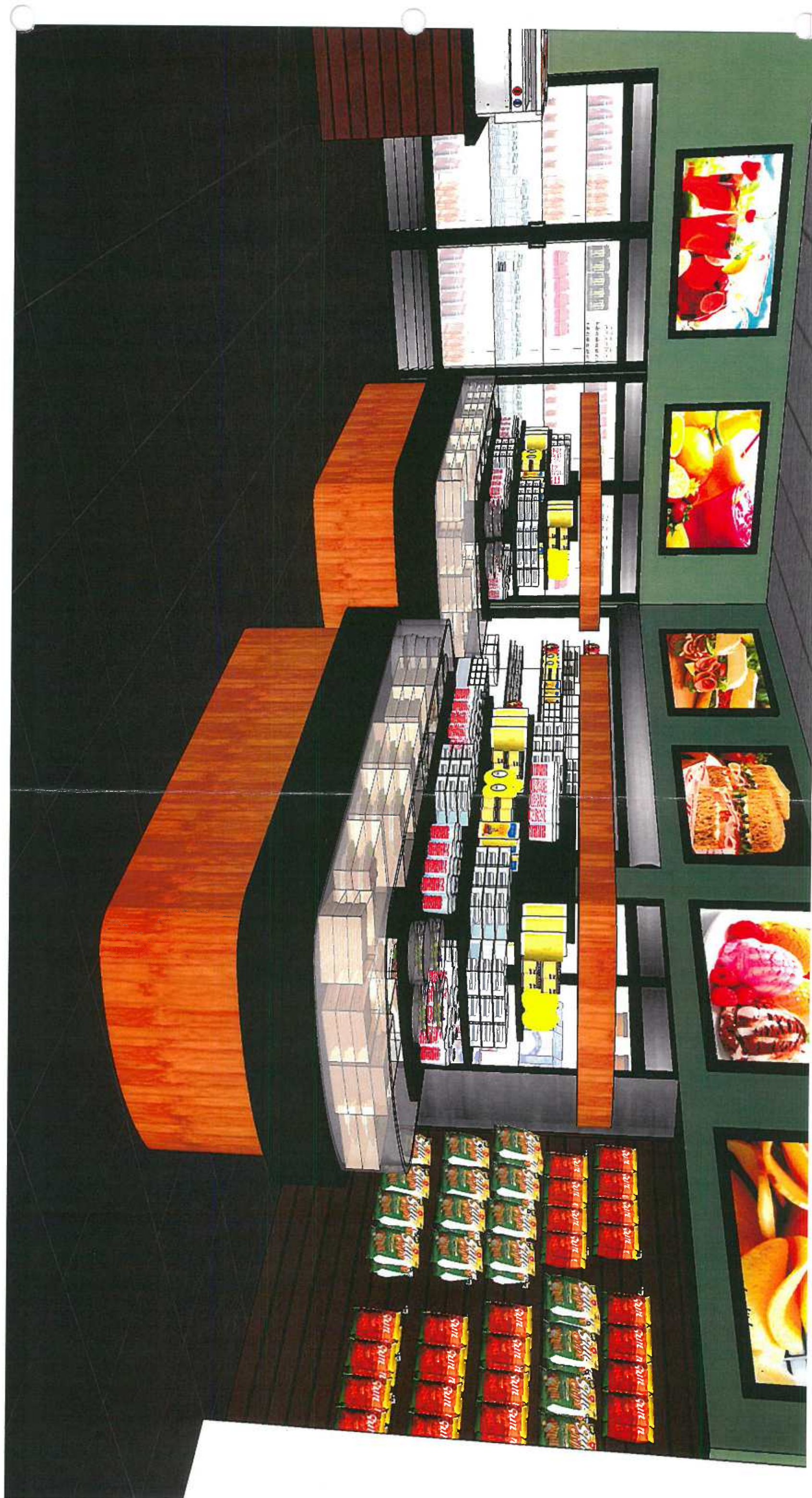
THE AIR CAPITAL BAR



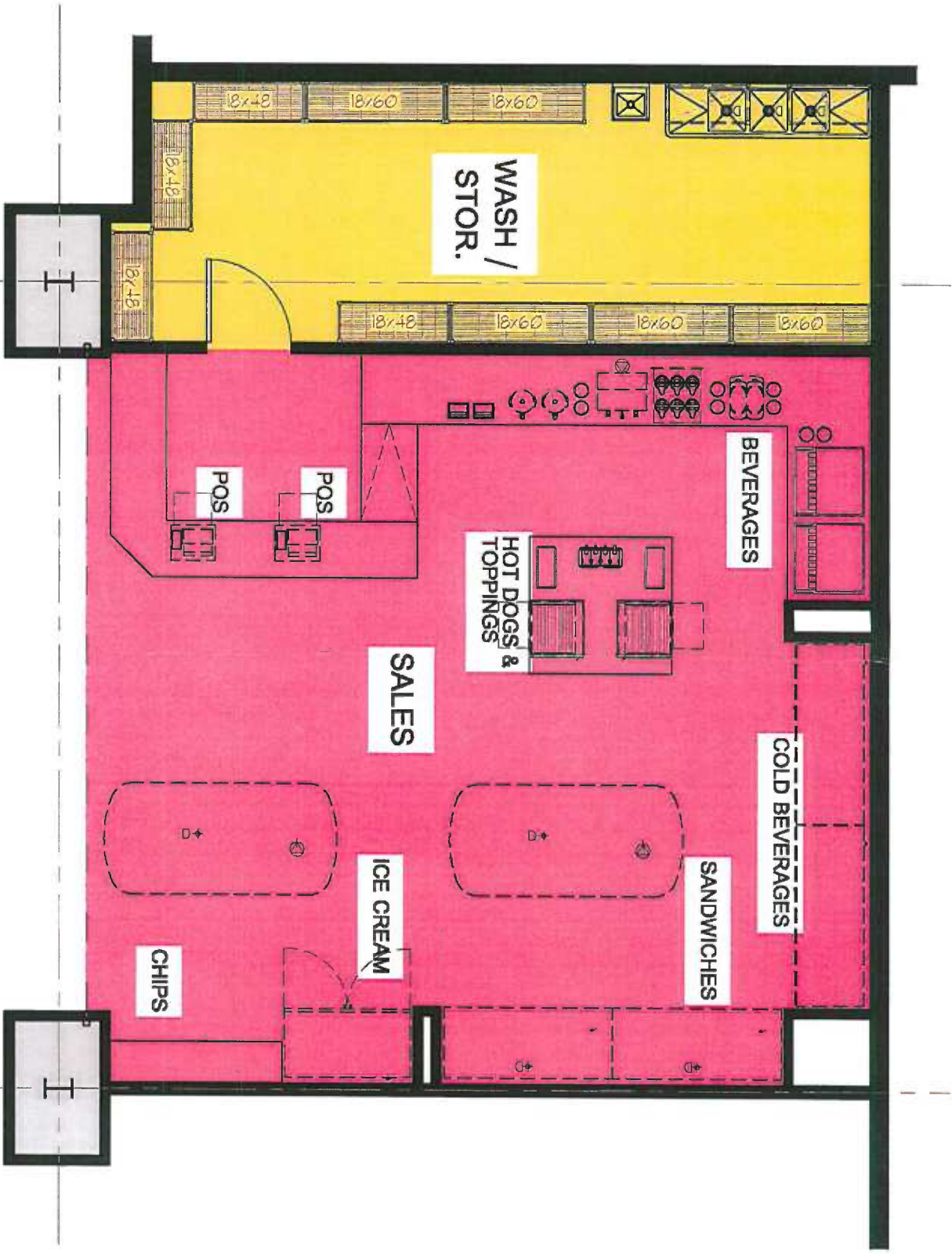
Karndean flooring: Tergo WP324

GRAB & fly









GRAB & FLY

SCALE: 3/16" = 1'-0" D5.1



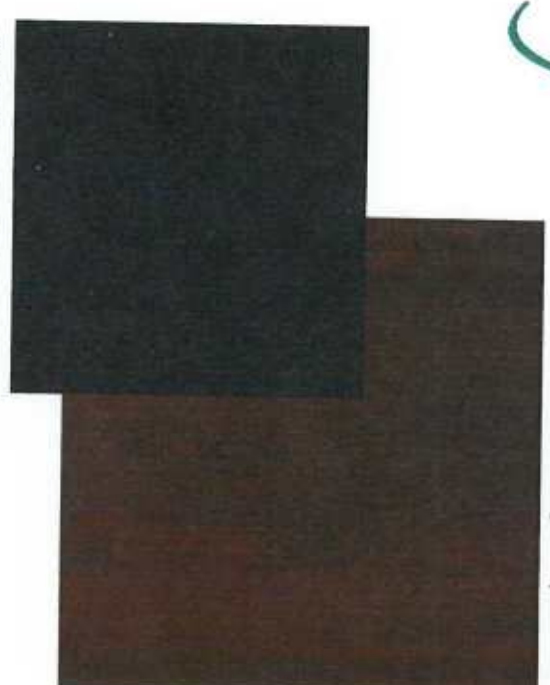
Chemetal 413

GRAB & Fly

Williamsburgcherry 7936K07



Laminate: Nevamar - Siren Sample
WM0005T



Solid Surface: Cambria - Cambrian Black 5320



Floor Tile: Crossville - Empire,
VS79 Elba Night



Paint: Sherwin Williams -
Grandview - SW 6466



WICHITA AIRPORT AUTHORITY

WICHITA MID-CONTINENT AIRPORT

FOOD AND BEVERAGE CONCESSION AND LEASE AGREEMENT

MSE BRANDED FOODS OF WICHITA, LLC

TABLE OF CONTENTS

| SECTION | Page |
|---|------|
| 1. DEFINITIONS | 4 |
| 2. PREMISES | 8 |
| 3. TERM..... | 10 |
| 4. OBJECTS AND PURPOSES OF AGREEMENT..... | 11 |
| 5. CONCESSION FEES AND OTHER PAYMENT OBLIGATIONS | 14 |
| 6. PAYMENT SECURITY | 17 |
| 7. PAYMENTS | 17 |
| 8. GROSS REVENUES..... | 18 |
| 9. BOOKS AND RECORDS | 20 |
| 10. AUDIT | 20 |
| 11. PERFORMANCE STANDARDS | 21 |
| 12. MAINTENANCE AND REPAIRS | 29 |
| 13. SIGNAGE | 32 |
| 14. SANCTIONS | 32 |
| 15. UTILITIES | 34 |
| 16. TENANT IMPROVEMENTS..... | 35 |
| 17. ENVIRONMENTAL COVENANTS..... | 40 |
| 18. SURRENDER OF POSSESSION AND RESTORATION | 44 |
| 19. PERSONAL PROPERTY | 44 |
| 20. TAXES | 45 |
| 21. MISCELLANEOUS COVENANTS..... | 46 |
| 22. INDEMNITY AND INSURANCE BY CONCESSIONAIRE | 46 |
| 23. INDEPENDENCE OF AGREEMENT | 51 |
| 24. TERMINATION BY AUTHORITY IN EVENT OF DEFAULT | 51 |
| 25. TERMINATION BY CONCESSIONAIRE IN THE EVENT OF DEFAULT | 53 |

| | | |
|-----|---|----|
| 26. | WAIVER OF STATUTORY NOTICE | 54 |
| 27. | TRANSFER OF OWNERSHIP | 54 |
| 28. | ASSIGNMENT AND SUBLETTING..... | 55 |
| 29. | NONDISCRIMINATION..... | 58 |
| 30. | NON-INTERFERENCE WITH AIRPORT OPERATIONS | 60 |
| 31. | COOPERATION WITH AIRPORT DEVELOPMENT | 60 |
| 32. | TITLE TO FACILITIES, IMPROVEMENTS AND FIXTURES | 61 |
| 33. | LIENS..... | 61 |
| 34. | RULES AND REGULATIONS..... | 62 |
| 35. | ENCROACHERS, TRESSPASSERS AND OTHER THIRD PARTY HAZARDS | 63 |
| 36. | SECURITY SYSTEMS..... | 63 |
| 37. | SECURITY | 64 |
| 38. | AIRPORT SECURITY PROGRAM COMPLIANCE | 64 |
| 39. | GENERAL PROVISIONS | 66 |
| 40. | THIRD PARTY RIGHTS..... | 73 |
| 41. | QUIET ENJOYMENT | 73 |
| 42. | DAMAGE OR DESTRUCTION | 73 |
| 43. | CONDEMNATION..... | 74 |
| 44. | IMPOSITIONS..... | 75 |
| 45. | MODIFICATIONS FOR GRANTING FAA FUNDS..... | 75 |
| 46. | INCORPORATION OF PROPOSAL DOCUMENTS | 76 |
| 47. | NOTICES, CONSENTS, AND APPROVALS..... | 76 |
| 48. | INTENTION OF PARTIES | 77 |
| 49. | ENTIRE AGREEMENT | 77 |
| 50. | MODIFICATION | 78 |
| 51. | APPROVAL, CONSENT, DIRECTION OR DESIGNATION BY AUTHORITY..... | 78 |

FOOD AND BEVERAGE CONCESSION AND LEASE AGREEMENT

WICHITA MID-CONTINENT AIRPORT

THIS AGREEMENT, made and entered into this day of June 17, 2014, by and between The Wichita Airport Authority, hereafter referred to as "AUTHORITY," and MSE Branded Foods of Wichita, LLC, Federal Tax Identification # 46-5693826, hereinafter referred to as "CONCESSIONAIRE,"

W I T N E S S E T H:

WHEREAS, AUTHORITY is a governmental entity authorized under the laws of the State of Kansas to own and operate one or more airports, with full, lawful power and authority to enter into binding legal instruments by and through its governing body; and

WHEREAS, AUTHORITY owns, operates, regulates, administers, and maintains the campus of Wichita Mid-Continent Airport ("Airport"); and

WHEREAS, a new Terminal Building at the Airport is scheduled to open Spring of 2015; and

WHEREAS, the AUTHORITY desires to lease to CONCESSIONAIRE certain premises in the new Terminal under the terms and conditions set forth below in this Concession and Lease Agreement ("Agreement") for the purpose of operating a Food and Beverage Concession; and

WHEREAS, CONCESSIONAIRE is an individual, or an entity authorized to operate in the State of Kansas ("State") that desires to lease from the AUTHORITY certain premises in the Terminal under the terms and conditions set forth below in this Agreement for the purpose of operating a Food and Beverage Concession on the Premises; and

WHEREAS, the AUTHORITY issued a Request for Proposals ("RFP") for the operation of a Food and Beverage Concession in the Terminal; and

WHEREAS, the CONCESSIONAIRE has been awarded the privilege of operating a Food and Beverage Concession in that being most advantageous to the Terminal at the Airport, based on its Proposal submitted in response to the RFP,

NOW, THEREFORE, in consideration of the mutual promises and agreements herein set forth, AUTHORITY and CONCESSIONAIRE do hereby agree as follows:

1. DEFINITIONS

The terms and phrases defined in this Section for all purposes of this Food and Beverage Concession and Lease Agreement shall have the following meanings:

ACDBE - shall mean Airport Concessions Disadvantaged Business Enterprise.

Additional Support Space - shall mean any additional support space requested by the CONCESSIONAIRE or assigned at the request of the AUTHORITY after the Initial Term commences. Additional Support Space shall be subject to the AUTHORITY's written approval and subject to the rental rates, which are established by AUTHORITY's Schedule of Fees and Charges. Such Schedule shall be amended from time to time by action of the AUTHORITY or its delegates.

Agreement - shall mean this written Food and Beverage Concession and Lease Agreement which creates rights and obligations of the parties to such Agreement.

Airport - shall mean the Mid-Continent Airport under the ownership, control and jurisdiction of the Wichita Airport Authority.

Airport Property - shall mean any property, facilities, and Improvements owned, leased and/or under the control and jurisdiction of the AUTHORITY and roads and streets contained thereon. _

Airside - shall mean the airfield and the areas beyond security checkpoints and passport and customs control in the Airport terminal and other building(s) at the Airport.

City - shall mean the City of Wichita, Kansas.

Commencement Date - shall mean the date the Agreement is effective, which shall be June 17, 2014.

Commercial Business or Commercial Activity - shall mean:

- exchanging, trading, buying, hiring or selling of commodities, goods, services or property of any kind on Airport Property; or
- engaging in any conduct on Airport Property for revenue-producing purposes, whether or not currency, monetary exchange or other forms of monetary instruments or credits ultimately are exchanged, obtained, or transferred on Airport Property; or

- offering or exchange of any service on Airport Property as a part of, or as a condition to, other revenue-producing activities or services on or off Airport Property; or
- acting for the purpose of securing revenue, earnings, income, and/or compensation (including exchange for service), and/or profit, whether or not such objectives are accomplished.

Common Use - shall mean those areas shared and used in common and conjunction with others in an undivided fashion and not intended or used for the exclusive business activity of a single party.

Concession Facilities Space - shall mean that portion of the Premises where Commercial Activity is conducted.

Concession Fees - shall mean a monetary amount charged by AUTHORITY as compensation for an act, service or privilege provided by AUTHORITY as described in Section 5.01 hereof.

Contract Year - shall mean the twelve (12) month period of time which shall start on the Opening Day of the Initial Term of this Agreement, and shall continue thereafter for twelve (12) month periods. The first day of the Term, as defined in Section 3 of this Agreement, shall mark the commencement of the first day of the first Contract Year. However, if the Initial Term commences on a date other than the first day of a calendar month, the first Contract Year shall include that fractional portion of the calendar month in which the Initial Term commences (“the Fractional First Month”) and the first full twelve (12) calendar months thereafter.

Date of Substantial Completion - shall mean the date that Tenant Improvements are ready to be used for their intended purpose, as determined by the AUTHORITY.

Day - shall mean a calendar day of twenty-four (24) hours measured from midnight to the next midnight.

Director - shall mean the Director of Airports who is the person designated by the AUTHORITY to exercise functions with respect to the rights and obligations of the AUTHORITY under this Agreement. Said term shall also include any person expressly delegated by the Director of Airports to exercise functions with respect to the rights and obligations of the Director of Airports under this Agreement.

DOT - shall mean the Department of Transportation of the United States government and any federal agency succeeding to its jurisdiction.

Exclusive Use Areas - shall mean those premises conveyed to CONCESSIONAIRE for its exclusive business activity and use, and not shared or used in common with others, and as specifically set forth in this Agreement.

Exclusive Right – shall mean those rights granted to the CONCESSIONAIRE by the AUTHORITY for the sale of certain products and services in specific locations and in such manner as specifically approved in this Agreement.

FAA – shall mean the Federal Aviation Administration of the United States government and any federal agency succeeding to its jurisdiction.

Food and Beverage Concession - shall mean the sale of food and beverage products and services (alcoholic and non-alcoholic) from shops, kiosks, and carts, in specific locations and in such manner as specifically approved in this Agreement.

Hazardous Materials - shall mean any hazardous or toxic substance, material or waste, including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as Hazardous Material(s) (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes that are or become regulated under any applicable local, state or federal law.

HVAC - shall mean heating, ventilating and air-conditioning systems.

Improvements - shall mean any construction, addition, alteration or betterment to real estate or to any existing Improvement on any part thereof that is affixed in such manner that it cannot be easily removed without damaging the property.

Landside - shall mean all areas of the Airport not located on the Airside, as defined herein.

Minimum Facility Build-Out Investment - shall mean the lowest investment per square foot for Tenant Improvements of each Concession Facility to be spent by CONCESSIONAIRE.

Opening Day - shall mean the date on which the Terminal is open and available for public access and use.

Premises - shall mean those certain parcels or portions of Airport Property at the Airport leased hereunder to CONCESSIONAIRE, more particularly described in Section 2, Premises and shown

on Exhibit A of this Agreement, which may be amended by consent of the parties from time to time.

Rules, Regulations and Code - shall mean those codes established and set forth under Chapter 9.35 AIRPORTS, of the Code of City Ordinances of the City of Wichita; Airport Standard Operating Procedures establishing certain policies and procedures on Airport Property; and applicable state law and federal statutes and regulations.

Sign - shall mean any advertising sign, billboard, identification sign or symbol, poster, or other similar device, regardless of content.

Sublessee - shall mean any individual, company, corporation, partnership or other entity entering into an agreement with CONCESSIONAIRE, with the written approval of the AUTHORITY, to sublease all or any portion of the Premises.

Support Space - shall mean space used for office and/or storage purposes that is not part of a Concession Facilities Space. Availability and use of Additional Support Space shall be subject to the AUTHORITY's written approval and subject to the rental rates, which are established by AUTHORITY's Schedule of Fees and Charges. Such Schedule shall be amended from time to time by action of the AUTHORITY or its delegates.

Tax - shall mean and includes any assessment, license, charge, imposition, or levy imposed by any governmental body pursuant to its taxing power.

Tenant Improvements - shall mean any Improvements done by CONCESSIONAIRE, its agents, employees, Sublessees, contractors, subcontractors, licensees and/or representatives. Tenant Improvements must be approved in writing by the AUTHORITY.

Terminal - shall mean the new passenger terminal that replaces the existing passenger terminal building at the Airport, and is situated immediately adjacent to the new Parking Garage. The traveling public will access commercial aircraft and related facilities for transit and ancillary activities from the Terminal. Terminal is scheduled to open Spring of 2015.

TSA - shall mean the Transportation Security Administration of the United States government, and any federal agency succeeding to its jurisdiction.

Turnover Date - shall mean, for each location within the Premises, the date approved by the AUTHORITY for CONCESSIONAIRE to commence construction of Tenant Improvements.

2. PREMISES

Section 2.01 - Concession Facilities Space

Effective as of the Turnover Date(s), AUTHORITY hereby leases to CONCESSIONAIRE Concession Facilities Space, consisting of 10,225 square feet, as outlined on Exhibit A, attached hereto and made a part hereof. CONCESSIONAIRE hereby agrees that the Concession Facilities Space in the Terminal shall be utilized by CONCESSIONAIRE for the sole purpose of carrying out the customary and necessary transactions and activities of operating the concession business.

Section 2.02 - Support Space and Additional Support Space

Effective as of the Turnover Date(s) of this Agreement, AUTHORITY hereby leases to CONCESSIONAIRE Support Space, consisting of 225 square feet of office space and consisting of 4,466 square feet of storage space, totaling leased space by CONCESSIONAIRE of 4,691 square feet, as outlined on Exhibit A, attached hereto and made a part hereof.

The Concession Facilities Space and Support Space are referred to together as the Premises. Sizes of areas are approximate and are subject to change during the construction of the Terminal. CONCESSIONAIRE will be given at least one hundred and twenty (120) Days from the Turnover Date in order to complete the construction of the Premises prior to the opening of the Terminal.

Section 2.03 - Expansion, Contracting and Relocation

The AUTHORITY may expand, contract or relocate any portion or all of the Premises due to Airport development/construction, operational necessity, security or safety considerations. In such event, CONCESSIONAIRE shall be given no less than one hundred and twenty (120) Days prior written notice unless circumstances beyond the control of the AUTHORITY occur (e.g., because of a direct or indirect requirement by TSA or another governmental authority), in which case notice will be given as soon as reasonably possible. If, at the AUTHORITY's sole determination, CONCESSIONAIRE is unable to reasonably continue its operations at any part of the Premises as a result of a space contracting as authorized herein, the AUTHORITY will attempt to provide reasonably comparable space for relocation within the Terminal, but makes no guarantee of such availability. CONCESSIONAIRE shall fully cooperate so that any such expansion, contracting or relocation occurs within the time frame as determined by the AUTHORITY. Any expansion, contracting or relocation required hereunder will not affect CONCESSIONAIRE'S Concession Fees and other payment obligations under this Agreement unless such change results in a change in total square footage of Concessions Facilities Space leased to CONCESSIONAIRE in excess of fifteen percent (15%), in which case the Minimum Annual Guarantee ("MAG") will be proportionately increased or reduced effective as of the date of such expansion, contracting or relocation.

In the event of relocation, the AUTHORITY will credit CONCESSIONAIRE for CONCESSIONAIRE'S "reasonable and proper moving costs", as determined by the AUTHORITY. For purposes hereof, "reasonable and proper moving costs" include moving of Personal Property from the old space to the new space, moving and reinstallation of telephone lines and computer equipment and connections, and reasonable expenses associated with reinstalling electrical connections and other utilities. In addition, in the event of relocation, the AUTHORITY will reimburse CONCESSIONAIRE for the remaining undepreciated portion of the costs of CONCESSIONAIRE'S Tenant Improvements that are not replaced or relocated from the old space to the new space by the AUTHORITY, computed based on straight-line depreciation over a ten (10) year life from the Date of Substantial Completion.

If a deletion or reduction occurs which causes the Premises to no longer be commercially viable, as determined by the AUTHORITY in its sole judgment, and there is no relocation, then the AUTHORITY will pay CONCESSIONAIRE the remaining undepreciated portion of the costs of CONCESSIONAIRE'S Tenant Improvements at such Premises, computed based on straight-line depreciation over a ten (10) year life from the Date of Substantial Completion.

For the purpose of determining the undepreciated portion of the costs of CONCESSIONAIRE'S Tenant Improvements, the cost of the Tenant Improvements shall be based on the Tenant Improvements Cost Statement provided to the AUTHORITY by CONCESSIONAIRE as required in Section 16.12 hereof, verified by actual bills and receipts, timely submitted and hereby been approved in writing by AUTHORITY.

If the AUTHORITY exercises its right to delete or reduce the CONCESSIONAIRE'S Premises, then the portion of the Premises that is deleted or reduced shall cease to be leased to CONCESSIONAIRE and shall no longer be subject to the terms of this Agreement.

If the AUTHORITY requires deletion, reduction or relocation of the Premises, the AUTHORITY shall not be liable to CONCESSIONAIRE for any damages (other than credit for reasonable and proper moving costs and approved depreciation) including, but not limited to, damages for any inconvenience or loss of business as a result of the deletion, reduction or relocation of the Premises, or any other form of consequential or incidental damages.

3. TERM

Section 3.01 - Interim Term

The Interim Term of this Agreement shall commence on June 17, 2014 and, unless sooner terminated or extended in accordance with the terms and conditions of this Agreement, will continue until the last day of the first month in which the Terminal opens on Opening Day, which is anticipated to be Spring of 2015.

Section 3.02 - Initial Term

The Initial Term of this Agreement shall commence on Opening Day, unless sooner terminated or extended in accordance with the terms and conditions of this Agreement, shall expire at the end of the ten (10) Contract Year period.

Section 3.03 - Option Term to Extend

Upon the mutual agreement of the AUTHORITY and CONCESSIONAIRE, this Agreement may be renewed for one (1), consecutive five (5) Contract Year period ("Option Term"), provided CONCESSIONAIRE is not in default hereunder beyond any applicable grace or cure periods in Rent, Concession Fees, or other payments to AUTHORITY at the time of notice requesting exercising the Option Term. If CONCESSIONAIRE wishes to exercise the Option Term, written notice shall be submitted to AUTHORITY no less than ninety (90) days prior to the expiration of the Initial Term.

The Option Term, if exercised by mutual agreement of both parties, shall commence at the completion of the Initial Term.

Section 3.04 – Void of Option Term to Extend

If CONCESSIONAIRE is in default of any obligation under this Agreement beyond the time period expressly allowed in this Section then any notice attempting to exercise the Option Term shall be void.

4. OBJECTS AND PURPOSES OF AGREEMENT

Section 4.01 -Rights and Privileges

The purpose of this Agreement is to grant to CONCESSIONAIRE the right and privilege of the use and occupancy of the Premises for its conduct of a food and beverage concession at the Terminal. The CONCESSIONAIRE is authorized to provide the Commercial Activity of food and beverage concession which shall include the sale of fresh-prepared and pre-packaged food, themed merchandise associated with food and beverage brands operated in the Terminal, snacks and alcoholic and non-alcoholic beverages from shops, kiosks, and carts as approved by the AUTHORITY and in locations as shown on Exhibit A.

CONCESSIONAIRE shall develop and maintain a comprehensive Food and Beverage Concession program totally integrated and coordinated as to design, quality, and content within the Terminal. Each Concession Facilities Space shall be in good taste, professionally developed, and of such high caliber as to contribute to the establishment of the Terminal as a prestige location for a Food and Beverage Concession.

CONCESSIONAIRE shall have the right of ingress and egress on Airport Property consistent with Rules, Regulations and Code in common with others for the benefit of its employees, customers, Sublessees, contractors, subcontractors, agents and representatives, to be exercised in a reasonable manner. This right of ingress and egress is granted for activities incidental or related to CONCESSIONAIRE'S approved activities, and for no other purposes except as may be approved in writing by AUTHORITY. CONCESSIONAIRE shall not interfere with the rights, privileges and access of other tenants, tenant employees, patrons and invitees on the Airport. This right is subject to federal, State and local security and safety requirements and standards. As required by Kansas State Statute, the Premises shall be used and occupied for a Food and Beverage Concession in support of aviation purposes or purposes incidental or related thereto.

Employees, agents and contractors of CONCESSIONAIRE shall be permitted to park their vehicles at the Airport under the same terms and conditions as employees of other concessionaires at the Airport. Visiting service personnel and product deliveries shall be permitted to park or unload in areas designated for temporary vendor parking or unloading, or at other locations as may from time-to-time be designated by AUTHORITY.

CONCESSIONAIRE shall have the right to install and maintain appropriate approved Signs at the Premises, provided, that the design, installation and maintenance of such Signs shall be consistent with the graphic standards and policies of the AUTHORITY and in accordance with the Tenant Construction and Alteration Process Manual (TCAP), and as it may be amended from

time to time. All such signage shall be subject to written approval of the AUTHORITY prior to installation. The parties acknowledge the Premises as a private leasehold and non-public forum, and that political, religious or social commentary or other forms of First Amendment expression are inappropriate on the Premises.

CONCESSIONAIRE recognizes that other tenants now and hereafter may occupy other portions of the Airport Property, and that such other tenants shall have the right to use public roadways, streets, restrooms, walkways, ramps, taxiways, runways, access gates, lighting, beacons, navigational aids, or other conveniences for aeronautical operations, and these common facilities are not under an exclusive use lease; and CONCESSIONAIRE shall conduct its operations in such a manner as to not block, impair or impede access by others to these common facilities, nor in any other way interfere with, nor disrupt the business of other tenants or the quiet enjoyment of their leasehold interests on Airport Property.

Nothing herein shall restrict the rights of the AUTHORITY to grant to others the rights to engage in Commercial Activity for the sale of pre-packaged snacks, non-alcoholic containerized beverages, and non-food and beverage items in the Terminal from shops or through automated vending services.

The AUTHORITY expressly does not grant to the CONCESSIONAIRE Exclusive Rights for food and beverage retailing on Airport Property beyond the Terminal.

The AUTHORITY does expressly grant to the CONCESSIONAIRE Exclusive Rights to engage in the Commercial Activity of food and beverage retailing, except themed merchandise, pre-packaged snacks and non-alcoholic containerized beverages within the Terminal under the terms and conditions of this Agreement.

CONCESSIONAIRE, its affiliated entities, subsidiaries, employees, agents, representatives, Sublessees, contractors, and subcontractors, shall not transact or otherwise engage in any other activities, business, and/or services on or from the Premises or elsewhere in the Terminal, except as described in this Agreement, unless such is provided by a separate written approval, or amendment to this Agreement, and subject to approval by AUTHORITY.

4.02 - Prohibited Uses of Premises

As consideration for this right and privilege, CONCESSIONAIRE agrees to reasonably use and is hereby obligated to maintain and operate said Premises in accordance with the terms and conditions set forth herein. The Premises shall not be used for any other Commercial Business or Commercial Activity not specifically authorized in this Agreement, unless approved in writing by

the AUTHORITY. The following activities, operations, services and concessions shall be specifically prohibited on or from the Premises or any other location on Airport Property:

- (a) Commercial (*for hire*) ground transportation;
- (b) Automobile sales;
- (c) Automated food and beverage or non-food and beverage vending machines (*excluding food and beverage vending machines within Exclusive Premises shielded from public view, and intended and used only for CONCESSIONAIRE's employee use and benefit*);
- (d) Commercial paid parking;
- (e) Commercial hotel or lodging;
- (f) Massage services;
- (g) Shoe shine services;
- (h) Sale of non-food and non-beverage gifts, sundries, news
- (i) Bag "skycap" portage services;
- (j) Storage or shipping services;
- (k) Sale, trade or bartering of fuel or lubricant products;
- (l) Revenue-producing communication systems or systems not directly applicable to CONCESSIONAIRE's operations on the Premises;
- (m) Commercial advertising (*other than on Premises, and then only to the extent it is directly promoting CONCESSIONAIRE'S own products and services*);
- (n) No banners shall be displayed or installed by CONCESSIONAIRE on Airport Property;
- (o) Any activity considered by AUTHORITY to not be aviation purposes or purposes incidental or related thereto in connection with the Commercial Activity of a Food and Beverage Concession.

In addition to such other prohibitions as stated in this Agreement, CONCESSIONAIRE shall not (i) place a load on any floor in the Airport which exceeds the floor load per square foot which such floor was designed to carry; (ii) install any public address or paging or other audio system on the Premises (in order to avoid possible interference with Airport paging or other audio systems) without the prior written consent of the AUTHORITY; (iii) allow any smoking on the Premises; (iv) install any additional locks or security systems of any kind on doors or windows without the prior written consent of the AUTHORITY; (v) conduct its operations in a manner that deprives the public of its rightful, equal, and uniform use of the Airport Property; or (vi) conduct its operations in such a way as to hinder police, fire-fighting or other emergency personnel in the discharge of their duties or as to constitute a hazardous condition that would increase the risks normally attendant upon the operations contemplated under this Agreement.

The privilege to occupy the Premises is solely for the purpose of operating the Food and Beverage Concession described in this Agreement. Without prior written permission, CONCESSIONAIRE expressly agrees that it may under no circumstances sell or offer to sell, or otherwise provide any services, merchandise or products other than those permitted in this Agreement, and that breach of this restriction will place CONCESSIONAIRE in default hereunder.

5. CONCESSION FEES AND OTHER PAYMENT OBLIGATIONS

5.01 - Concession Fees

Interim Term

No Concession Fees will be due during the Interim Term of this Agreement.

Initial Term and Option Term

During the Initial Term of this Agreement and the Option Term if exercised, the CONCESSIONAIRE shall pay to AUTHORITY annual Concession Fees in twelve (12) equal monthly installments, which shall be the GREATER of:

- (1) The amount of three hundred thousand dollars (\$300,000) which sum is the Minimum Annual Guarantee (MAG) for the first Contract Year; **and**
- (2) For the second and subsequent Contract Years, an amount equal to the greater of
 - (a) eighty-five percent (85%) of the aggregate Concession Fees paid by CONCESSIONAIRE during the immediately preceding Contract Year; however, in no event shall the MAG for the next ensuing Contract Year be less than the MAG for the previous Contract Year of this Agreement; **or**
- (3) Concession Fees are established in the table below for annual Gross Revenues of duly reported by CONCESSIONAIRE to AUTHORITY:

| FOOD AND NON-ALCOHOLIC BEVERAGES | |
|---|------------------------|
| Annual Revenues | Concession Fees |
| \$0 - \$3,000,000 | 10% |
| \$3,000,001 - \$3,250,000 | 11% |
| \$3,250,001 - \$3,500,000 | 12% |
| \$3,500,001 - \$3,750,000 | 14% |
| \$3,750,001 and higher | 15% |

| ALCOHOLIC BEVERAGES | |
|----------------------------|------------------------|
| Annual Revenues | Concession Fees |
| \$0 - \$750,000 | 12% |
| \$750,001 - \$850,000 | 13% |
| \$850,001 - \$1,000,000 | 14% |
| \$1,000,001 – and higher | 16% |

Notwithstanding the Concession Fee language set forth above, in the event the Initial Term or Option Term commences on a Day other than the first Day of a calendar month, then Concession Fees, but no MAG, shall apply for such initial partial month.

The applicable Concession Fee shall be due and payable by LESSEE to LESSOR on the fifteenth (15th) day of each and every month following the month of activity and shall be delinquent if not received by LESSOR on or before the last day of the month following the month of activity. If the total paid Concession Fee increments for the Contract Year are more than the greater of the total percentage of Gross Revenues or the MAG for the Contract Year in its entirety, the LESSOR will credit such excess to amounts due from LESSEE during the following period until such excess is completely applied against such amounts. Any payment shortfall shall be paid within sixty (60) days after the completion of the Contract Year.

5.02 - Expiration or Termination of Agreement

In the event of the expiration or other termination of this Agreement on a date other than the completion of a Contract Year, the MAG shall be prorated as appropriate.

5.03 - Annual Reconciliation and Adjustment of Concession Fees

The Concession Fees as set forth in this Section shall be subject to reconciliation at the end of each Contract Year pursuant to the terms of this Agreement. If said reconciliation shows a balance due to AUTHORITY or an excess paid by CONCESSIONAIRE, the appropriate adjustment, either payment by CONCESSIONAIRE of the balance due or credit by AUTHORITY to CONCESSIONAIRE of the excess payment, shall be made within thirty (30) Days after an approved Annual Report, as required in Section 8.03 hereof, is received by AUTHORITY. CONCESSIONAIRE shall not be entitled to interest on the amount credited or owed by AUTHORITY to CONCESSIONAIRE.

5.04 - Passenger Traffic Adjustment

If CONCESSIONAIRE is in full compliance with the terms, covenants and conditions set forth herein and the following condition exists, CONCESSIONAIRE may through the Director, in writing, for a specified period, adjust the requirement to pay the Minimum Annual Guarantee as provided for herein, as set forth below.

If the actual number of passengers enplaning on scheduled airline flights at the Airport during any three (3) consecutive calendar months shall be less than eighty percent (80%) of the number of such enplaning passengers in the same consecutive calendar months during the preceding year or the year preceding the first Contract Year, a proportionate adjustment of the Minimum Annual Guarantee shall occur. Such proportionate adjustment shall be determined by reducing one-twelfth (1/12th) of the Minimum Annual Guarantee for each qualifying month by the applicable percentage reduction in enplaned passengers at the Airport for such month. The Concession Fees obligation shall remain in effect. Such proportionate reduction of the one-twelfth (1/12th) Minimum Annual Guarantee payment shall be discontinued when the enplaned passengers for a calendar month equal or exceed eighty-five percent (85%) of the enplaned passengers in the same calendar month of the preceding year or the year preceding the first Contract Year, whichever year was used in determining the adjustment.

5.05 - Support Space Rentals

CONCESSIONAIRE shall not be charged rent during the Term of this Agreement for Support Space, included in CONCESSIONAIRE's Premises, as set forth on Exhibit A.

5.06 - Additional Support Space

CONCESSIONAIRE shall be charged the standard rental rates according to the rates established by AUTHORITY's Schedule of Fees and Charges as adopted for a given year for any amount of Additional Support Space leased to CONCESSIONAIRE after the commencement of the Initial Term. The AUTHORITY may, at its sole discretion, require CONCESSIONAIRE to rent Additional Support Space if the CONCESSIONAIRE is unable to keep its equipment, goods and supplies within the Premises. Such Schedule of Fees and Charges shall be amended from time to time by action of the AUTHORITY or its delegates.

5.10 - Other Fees and Charges

It is understood and agreed by CONCESSIONAIRE that AUTHORITY may assess fees and charges to CONCESSIONAIRE according to rates established by AUTHORITY's Schedule of Fees and Charges as adopted for a given year. Such Schedule shall be amended from time to time by action of the AUTHORITY or its delegates.

6. PAYMENT SECURITY

Within thirty (30) Days of the Commencement Date, CONCESSIONAIRE, at its own cost and expense, shall cause to be made, executed and delivered to AUTHORITY a final guarantee in the form of either an irrevocable letter of credit or performance bond, the basic form issued by a company and upon terms and form approved by the Director in an amount equal to fifty percent (50%) of the MAG for the first Contract Year. Within ninety (90) Days after the commencement of each Contract Year thereafter throughout the Initial Term of this Agreement, CONCESSIONAIRE shall deliver a payment security in the same form as stated above in an amount equal to fifty percent (50%) of the MAG for that Contract Year.

Said guarantee shall provide that, in the event of CONCESSIONAIRE'S failure to pay all Concession Fees, rents, fees, interest, or other charges and obligations of CONCESSIONAIRE under this Agreement, AUTHORITY may immediately pursue all legal remedies pursuant to said guarantee. Said letter of credit or performance bond shall (1) guarantee the payment of all Concession Fees, rents, fees, interest, and other charges and obligations of CONCESSIONAIRE under this Agreement; (2) remain in effect throughout the Term of this Agreement including any hold-over period, if any, and (3) be approved by the Director. This remedy shall be cumulative and may be exercised by the AUTHORITY in addition to any other rights or remedies allowed by law or set forth in this Agreement. Failure to pursue such legal remedies pursuant to said guarantee or any delay in AUTHORITY'S pursuit of said remedies shall not be deemed a waiver of such rights.

7. PAYMENTS

7.01 - Payment Procedure

CONCESSIONAIRE shall make all payments to the Wichita Airport Authority, and in a form acceptable to AUTHORITY. Automated Clearing House (ACH) direct deposit is preferred. Bank account and routing information is available upon request. Payments made by check shall be delivered or mailed to:

Wichita Airport Authority
2173 Air Cargo Road
Wichita, Kansas 67209

or such other address as designated by AUTHORITY in writing.

7.02 - Late Payments

In the event CONCESSIONAIRE fails to make payment within ten (10) days of the dates due as set forth in this Agreement, then AUTHORITY may charge CONCESSIONAIRE a monthly service charge of one and one-half percent (1.5%) for any such overdue amount, plus reasonable attorneys' and administrative fees incurred by AUTHORITY in attempting to obtain payment.

8. GROSS REVENUES

8.01 – Definition of Gross Revenues

Gross Revenues shall mean, for all purposes in this Agreement, all monies received by or due to CONCESSIONAIRE, its Sublessees or any other person conducting sales to customers in, at or from the Premises for cash, credit or otherwise, without reservation or deduction for uncollected amounts, credit card fees or charges, or collection costs, including, but not limited to:

- a) All sales and services occurring on the Premises, including all orders that originate in, at, or from the Premises, regardless of where delivery or performance is made;
- b) Orders that are made to and/or filled from the Premises pursuant to mail, telephone, fax, catalog, internet, or otherwise received, filled, or distributed from the Premises;
- c) Any income resulting from transactions originating in, at, or from the Premises, and deposits not refunded to customers; and
- d) Compensation of any kind received from a distributor or manufacturer for promoting or advertising any product on the Premises or elsewhere at the Airport.

“Gross Revenues” of CONCESSIONAIRE, its Sublessees and any other person selling goods or services for a profit in, at or from the Premises shall exclude:

- a) All credits or refunds made to customers under such generally acceptable terms and conditions as are first approved in writing by the AUTHORITY;
- b) All sums or credits received in settlement of claims for loss or damage to merchandise;
- c) All sales taxes, retailers' excise taxes, gross revenues taxes, transaction taxes, or similar equivalent taxes paid to or collected by or payable by CONCESSIONAIRE, its Sublessees or any other person selling goods or services for a profit in, at or from the Premises, as are first approved in writing by the AUTHORITY as excludable items;
- d) The amount of any gratuities paid or given by patrons or customers to or for employees of CONCESSIONAIRE, its Sublessees or any other person selling goods or services for a profit in, at or from the Premises; and
- e) Receipts from the sale or trade-in of any furniture, equipment or utensils used in, and waste or scrap materials resulting from, Food and Beverage Concession operations.

8.02 – Gross Revenues Reporting Requirement

CONCESSIONAIRE shall submit to AUTHORITY a report (“Gross Revenues Report”) showing, with respect to the prior month, a listing of Gross Revenues from each individual Concession Facilities Space. Such report shall be in form and substance satisfactory to the Director. The Gross Revenues Report shall conform to the reporting requirements as shown in Exhibit B. Subsequent to the execution of this Agreement, changes may be made to Exhibit B, under the authority of the Director, without requiring formal amendment to the Agreement.

8.03 – Gross Revenues Due Date of Monthly Report

A report of CONCESSIONAIRE'S Gross Revenues for the previous month shall be due and submitted to the AUTHORITY on or before the fifteenth (15th) day of the month on the form as identified on Exhibit B, which is attached hereto, or a substitute form approved in writing by the Director. The parties acknowledge that the AUTHORITY incurs additional administrative effort if CONCESSIONAIRE'S Gross Revenues Reports are not complete and received by the due date of each report. To compensate the AUTHORITY for this administrative effort, CONCESSIONAIRE agrees to pay the AUTHORITY fifty dollars (\$50) monthly for each monthly report which is not complete, accurate, and received by its due date. Moreover, said amount shall be considered additional compensation and shall become due and payable to, and received by, AUTHORITY on or before the last day of each month of the Term hereof until the monthly report is received.

8.04 - Annual Report

No later than one hundred twenty (120) days after the end of each Contract Year, CONCESSIONAIRE shall furnish to the AUTHORITY the written statement of a Certified Public Accountant stating that the Concession Fees paid by the CONCESSIONAIRE to the AUTHORITY pursuant to this Agreement during each such Contract Year are accurate. Such statement shall also state Gross Revenues as shown on the books and records of CONCESSIONAIRE that were used to compute the Concession Fees paid to the AUTHORITY during the period covered by the statement. To compensate the AUTHORITY for this administrative effort, CONCESSIONAIRE agrees to pay the AUTHORITY fifty dollars (\$50) monthly for each monthly report which is not complete, accurate, and received by its due date. Moreover, said amount shall be considered additional compensation and shall become due and payable to, and received by, AUTHORITY on or before the last day of each month of the Term hereof until the report is received.

9. BOOKS AND RECORDS

9.01 – Bookkeeping

CONCESSIONAIRE covenants and agrees that for the purposes of ascertaining the amount payable as Concession Fees, it shall keep on the Premises proper books, records, and accounts in accordance with generally accepted accounting principles which shall show all sales made and services performed of any nature whatsoever, for cash, credit, or any other consideration which shall accurately reflect Gross Revenues. CONCESSIONAIRE agrees to operate its business so that for each sale, service or transaction whatsoever (1) a duplicate sales slip, or (2) contract serially numbered, or (3) any other form of documentation, is issued and prepared so that AUTHORITY can rely upon CONCESSIONAIRE'S accounting and internal control processes for accurately reporting Gross Revenues.

9.02 - Tax Reports

Upon request, CONCESSIONAIRE shall furnish AUTHORITY within fourteen (14) Days, accurate and exact copies of all sales and excise tax reports made to the Kansas Department of Revenue.

10. AUDIT

10.01 - Audit Rights

CONCESSIONAIRE agrees to give AUTHORITY or its designated examiner(s) access during reasonable hours for inspection of CONCESSIONAIRE'S books and records. The AUTHORITY shall have the right at any time and from time to time to inspect all of the records and books of account of CONCESSIONAIRE and also any records and books of account of any of CONCESSIONAIRE's Sublessees. The subject of the audit shall include, but is not limited to, Gross Revenues, and the CONCESSIONAIRE, upon request, shall make all such information available for such inspection. Such books, ledgers, accounts and records shall be available for inspection by AUTHORITY at all reasonable business hours for a period of three (3) years from the date of such activity. CONCESSIONAIRE shall produce such books and records for inspection at its Premises or within the City of Wichita ("City") within fourteen (14) Days of AUTHORITY'S written notice to do so. If CONCESSIONAIRE fails to produce all of the requested books or records on a timely basis, CONCESSIONAIRE shall pay a fifty dollar (\$50) penalty per Day for each Day in excess of the fourteenth (14th) Day after AUTHORITY's written notice up until the books and records are produced. As an alternative, CONCESSIONAIRE may elect to pay all reasonable expenses including, but not limited to, professional fees, transportation, food and lodging necessary for an examiner selected by AUTHORITY to inspect

said books and records at a site other than Wichita, Kansas if AUTHORITY is notified in writing of CONCESSIONAIRE'S option to elect the alternative by doing so within ten (10) Days from date of notice.

10.02 - Audit Results

If, as a result of such inspection, it is established that CONCESSIONAIRE has understated Gross Revenues or business transacted for any Contract Year by three percent (3%) or more (after deductions and exclusions provided for herein), the CONCESSIONAIRE shall promptly pay to AUTHORITY the full cost of such inspection in addition to any additional Concession Fees owed but not theretofore paid, with any applicable interest thereon at the rate of one and one-half percent (1.5%) per month from the end of the month in which the discrepancy(ies) occurred. If, as a result of such inspection, it is established that CONCESSIONAIRE has overstated Gross Revenues, any overpayment of Concession Fees theretofore made by CONCESSIONAIRE shall be credited against Concession Fees next becoming due hereunder or otherwise refunded if this Agreement has ended.

11. PERFORMANCE STANDARDS

CONCESSIONAIRE is required to provide the highest product quality, customer services, and Concession Facilities Space to the Airport patrons at all times. The AUTHORITY and CONCESSIONAIRE agree that CONCESSIONAIRE shall observe the following Performance Standards in addition to those contained elsewhere in this Agreement.

11.01 - General Service Standards

CONCESSIONAIRE shall furnish all services provided hereunder on a fair and reasonable and non-discriminatory basis to all users of the Airport and the general public. The CONCESSIONAIRE'S operations must be conducted in a safe, clean, orderly, and inviting condition at all times and service shall be prompt, courteous, efficient and satisfactory to the AUTHORITY. Further, CONCESSIONAIRE agrees that it shall make available for sale during the daily course of operation of the Concession Facilities Space all products and services necessary to meet the needs and desires of the traveling public and CONCESSIONAIRE shall not remove items or services from its approved product list without prior written consent of the Director.

In the event the Premises are operated as a name brand facility by CONCESSIONAIRE pursuant to a license or franchise, CONCESSIONAIRE shall fully comply with all the standards of the licensor or franchisor and provide all signature products, perform all of the terms and conditions of such license or franchise, and keep such license or franchise in full force and effect. No brand, license or franchise change shall be made without prior written consent of the Director.

CONCESSIONAIRE understands and agrees that its operation at the Airport necessitates the rendering of the following public services: making reasonable change, giving directions, and assisting the public generally, and shall do so in a manner as to positively represent the Airport and the local community.

No public or private auction, fire, going out of business, bankruptcy or similar types of sales shall be conducted in or from the Premises. The Premises shall be used only in a dignified and ethical manner, consistent with the general high operating standards at the Airport.

11.02 -Hours of Operation

Hours of Operation. The Concession Facilities at each location and on each day, shall be open for business seven (7) days a week, including holidays, except as may be otherwise be approved in writing by the Director. CONCESSIONAIRE shall operate during those hours as are necessary to adequately serve the public demand, as said demand may be determined and re-determined by the Director. CONCESSIONAIRE may advise the Director regarding optimum hours of operation at each location, but such advice is not binding on the Director.

Minimum Hours of Operation. CONCESSIONAIRE shall be obligated to operate the facilities for the hours which are defined in this Section until such time as the Director requests that hours be extended or authorizes hours to be altered. The initial minimum hours each day shall be as follows:

Concession Facilities Space shall open for business no later than one and one-half (1.5) hours prior to the first flight of the day and shall remain open until after the last departure of the last scheduled flight of the day.

Curtailment or Modification of Hours Beyond Control. CONCESSIONAIRE may be excused from its obligations to meet the stated Minimum Hours of Operation in the event that its operations are closed or curtailed, in whole or in part, by reason of a strike, lockout or a cause beyond its reasonable control as determined by the Director. The Director shall not consider labor shortage or “no show” as a basis for “beyond the reasonable control” of the CONCESSIONAIRE to comply with the provisions of this Section.

Director May Alter Hours. The Director shall have the option to make changes to the CONCESSIONAIRE's hours of operations for any location with seventy-two (72) hour prior written notice and CONCESSIONAIRE shall comply with said hours. The hours of operation must be conspicuously posted at the Premises in a manner approved by the Director. The Director may, from time to time, authorize a later opening or earlier closing time for any location, provided it first finds that CONCESSIONAIRE has submitted adequate justification therefore.

11.03 - Menus

CONCESSIONAIRE'S approved menus are attached as Exhibit D. CONCESSIONAIRE shall be allowed to make changes in the menus provided such menu changes are in keeping with the quality and original concepts included in its Proposal and shown on the attached Exhibit F. Concept changes must be approved in writing by the Director. CONCESSIONAIRE shall submit to the Director proposed new menus when menu changes are proposed. Upon approval by the Director, such new menus will then become the new Exhibit D, automatically replacing and superseding the old menu, under the authority of the Director, without requiring formal amendment to the Agreement.

11.04 - Reasonable Pricing

CONCESSIONAIRE shall observe Reasonable Pricing of goods and services. Reasonable Pricing shall mean that the regular price of the good or service offered at the Airport shall be within 10% of the price of substantially similar goods or services at a non-Airport food and beverage establishment within a twenty mile radius of the Airport that provides Commercial Activity substantially similar in quality to the CONCESSIONAIRE and as mutually agreed to by both the AUTHORITY and CONCESSIONAIRE.

(a) Same Business, Franchise or Trade Name

If a good or service is offered by the same business, franchise, or trade name as the CONCESSIONAIRE'S Commercial Activity within a twenty-mile radius of the Airport, Reasonable Pricing shall mean an amount not more than 110% of the amount of the same item(s) offered at the non-Airport location(s). Sale or promotional prices shall be excluded.

(b) No Same Business, Franchise or Trade Name

If a good or service is not offered from an entity of the same business, franchise, or trade name as stated in (a) above, Reasonable Pricing shall mean not more than 110% of the average of three (3) separate businesses of comparable nature, ambiance, product and service lines within a twenty mile radius of the Airport. The comparable locations to be used for price comparison purposes shall be agreed to by AUTHORITY and CONCESSIONAIRE, and shall become effective on written approval. Comparable

locations shall not include: (1) discounters such as Wal-Mart, Target, K-Mart, Sam's Club, or similar businesses; (2) hotels; or (3) stadiums, race tracks, arenas or special event facilities.

(c) Price Verification

The AUTHORITY reserves the right to conduct its own verification at any time to ensure that CONCESSIONAIRE is in compliance with the Reasonable Pricing policy set forth herein. No more than twice per twelve (12) month period, the AUTHORITY may select at random ten to fifteen items for which CONCESSIONAIRE will be required to perform and submit to the AUTHORITY a price comparison from approved, comparable facilities.

(d) Non-Compliance

CONCESSIONAIRE hereby acknowledges that a determination of noncompliance with this Reasonable Pricing provision shall be considered a disapproval of product and service pricing. CONCESSIONAIRE agrees that in the event of such determination and notice from the AUTHORITY, CONCESSIONAIRE shall modify its product and service prices to meet the approval of the AUTHORITY, said adjustment to be effective within ten (10) calendar days of written notification by the AUTHORITY. If CONCESSIONAIRE fails to comply with the AUTHORITY'S determination notice, AUTHORITY shall have the right to terminate this Agreement in its entirety and all rights ensuing there from upon giving thirty (30) days written notice to CONCESSIONAIRE.

(e) Employee Discounts

It is expressly understood that CONCESSIONAIRE may allow customary discounts on sales of food and non-alcoholic beverage items to Airport and airport tenant employees, as approved by the AUTHORITY.

11.05 - Noise, Odor, Vibrations and Annoyances

CONCESSIONAIRE shall conduct its operations in an orderly and proper manner so as not to commit any nuisance or waste in the Premises or annoy, disturb, or be offensive to others in the Terminal or other parts of the Airport, and shall take all reasonable measures, using the latest known and most practical devices and means, to eliminate any unusual, nauseous or objectionable smoke, gases, vapors, odors, or any vibrations. No loud or inappropriate music will be played at the Premises. CONCESSIONAIRE'S employees must conduct themselves in a professional manner at all times and shall provide the highest level of service possible to all Airport patrons.

11.06 - Manager

The operation and management of the Premises shall be under the constant and direct supervision of a well-trained, qualified, and experienced manager employed by CONCESSIONAIRE. CONCESSIONAIRE'S manager shall be a full-time active, on-site, qualified, experienced, and competent Manager with the complete responsibility and authority to respond quickly and decisively to the Director in all matters affecting the operation of the Food and Beverage Concession. CONCESSIONAIRE shall at all times ensure, in the absence of the Manager, that a qualified Assistant Manager or supervisor is available and empowered to act quickly and decisively in response to any need arising from the operation of the Food and Beverage Concession.

11.07 - Staffing

CONCESSIONAIRE shall implement and cause its Sublessees to implement, personnel policies that will provide that non-managerial personnel currently employed in the existing food & beverage concession facilities as of the date of award of the Agreement, will be given first consideration in hiring as personnel of CONCESSIONAIRE, subject to reasonable hiring standards, in the event the incumbent food and beverage concessionaire does not succeed itself.

CONCESSIONAIRE shall recruit, train, supervise, direct and deploy an adequate number of proficient employees to ensure the highest standards of customer service and satisfactory operation and maintenance of the Premises at all times. CONCESSIONAIRE'S service shall be timely, attentive, and friendly. All customers shall be thanked for patronage.

CONCESSIONAIRE shall provide appropriate staffing levels to accommodate changes in peak periods of passenger activity and shall add an appropriate number of employees to respond to increased levels in potential customers resulting from changes in the airline schedules or relocation of airline gates. CONCESSIONAIRE should anticipate peak travel seasons such as Spring Break, Thanksgiving, Christmas, and other holidays, and add additional staff accordingly.

At no time shall the Premises be left unattended or temporarily closed while employees go on break, receive deliveries, or for other such reasons unless otherwise previously approved by the Director in writing. If in the opinion of and at the discretion of the Director, and upon issuing notice to the CONCESSIONAIRE, local management and leadership, performance standards or other obligations of this Agreement are not consistently met, the CONCESSIONAIRE shall promptly take measures to correct and remedy such deficiencies to the Director's satisfaction, which may include but not be limited to local management change.

All employees of CONCESSIONAIRE who come in contact with the public shall be clean and well groomed, neat, professional, non-offensive odor, and courteous. All CONCESSIONAIRE

employees shall be appropriately attired in company provided clean and correctly fitted uniforms or company approved attire. CONCESSIONAIRE employees that interact with customers must wear an identification name tag at all times, subject to the Director's approval, which shall clearly state CONCESSIONAIRE'S company name and the individual employee's name.

11.08 - No Soliciting

CONCESSIONAIRE shall not give samples, approach customers or otherwise solicit business in the Common Use areas or any other part of the Airport other than the Premises. CONCESSIONAIRE shall not distribute any handbills or other advertising matter in the Common Use areas or any other Airport Property other than in the Premises without the prior written consent of the Director.

11.09 - Cash Handling Procedures

CONCESSIONAIRE shall provide and use modern, efficient cash handling equipment, including electronic or computerized cash registers. All cash control equipment shall have a non-resettable grand total to allow for a complete and accurate audit trail. CONCESSIONAIRE shall at all times maintain and follow financial control standards and procedures ensuring that all transactions are properly recorded and that all receipts are promptly deposited and reconciled. CONCESSIONAIRE shall ensure, through continuous review and inspection, that such standards and procedures are fully and accurately implemented within its operations. CONCESSIONAIRE shall provide its customers with a cash register receipt for each sale, and such receipt shall show CONCESSIONAIRE'S name, the item (or items) sold, tax, and total cost. Processing of payments from customers shall be prompt.

11.10 - Traveler's Checks, Credit Cards and Debit Cards

CONCESSIONAIRE shall accept traveler's checks, debit cards, and no fewer than three (3) major credit cards for purchases and shall not levy any additional charges for the acceptance thereof.

11.11 - Complaints and Concerns

At the Director's request, CONCESSIONAIRE shall meet with the Director to review any complaints or concerns that may arise, and shall promptly correct any deficiencies. The Director's determination as to quality of operation or services shall be conclusive and curative measures shall be implemented by CONCESSIONAIRE as expeditiously as possible.

CONCESSIONAIRE shall meet and confer with the Director in the event of a dispute between CONCESSIONAIRE and any other tenant at the Airport as to services offered or products to be sold. The determination of the Director shall be final as to the services to be offered or products

to be sold by each tenant at the Airport and CONCESSIONAIRE agrees that it shall be bound by said determination.

CONCESSIONAIRE shall respond in writing to all written customer complaints within forty-eight (48) hours of receipt and shall concurrently provide copies of such written correspondence to the Director.

11.12 - Mystery Shopper

The AUTHORITY may monitor, test, or inspect CONCESSIONAIRE'S service at any time by Airport Staff, or through the use of a responsible shopping service or by other commercially reasonable means that do not unduly interfere with CONCESSIONAIRE'S business.

11.13 - Deliveries

CONCESSIONAIRE shall receive all truck deliveries at the loading dock on the west end of the Terminal or other location as specifically authorized by the AUTHORITY. CONCESSIONAIRE is prohibited from allowing, accepting or causing to be accepted any deliveries upon roadways in front of the Terminal. Delivery of supplies to the Premises shall be made at such times, and by such routes/modes, as not to conflict with foot traffic, concession patrons or Airport operations in general. Such routes/modes and times of delivery are subject to the approval of the Director.

11.14 - Non-Interference with Utilities

CONCESSIONAIRE shall do nothing, and shall permit nothing to be done, that could interfere with the drainage or sewerage systems, fire hydrants, heating and air conditioning ("HVAC") systems, electrical systems, domestic hot water, domestic cold water, gas, fire suppression systems, fire alarm system, plumbing, phone systems or radio transmissions on the Premises or elsewhere at the Airport. CONCESSIONAIRE shall promptly report any damage or interference, actual or reasonably suspected to the Airport.

11.15 - Fire Extinguishers

CONCESSIONAIRE shall furnish and maintain on the Premises sufficient size, quantity and category of portable fire extinguishing units as may be require by state and local laws and insurance risks or as designated by the AUTHORITY.

11.16 - Sanitation

CONCESSIONAIRE shall comply with all local and State Department of Health and Environment sanitation rules and regulations and must maintain the Premises in a clean and sanitary manner at all times. Copies of all Department of Health and Environment facilities inspections shall be submitted to the Director within five (5) business days of receipt. CONCESSIONAIRE agrees to notify the Director immediately upon receiving any failing

inspection. CONCESSIONAIRE shall immediately, at its own expense, remedy any service or training deficiency, make all required repairs or maintenance and resolve any other type of neglect. The parties agree that the date of any regulatory inspection in which deficiencies are noted shall commence the thirty-(30) day curative period under Section 24 - Termination By Authority In Event Of Default, and that no separate notice from AUTHORITY, as described in Section 24 shall be necessary.

11.17 - Garbage/Refuse Storage and Removal; Pest Control

CONCESSIONAIRE shall strictly comply with Rules, Regulations and Code and any other applicable rules and regulations regarding the disposal of trash and garbage and the recycling of such materials. CONCESSIONAIRE shall promptly remove from the Premises to the garbage or refuse disposal area all rubbish, refuse and garbage, and shall remove the accumulation of all such material in said garbage or refuse disposal area at frequent intervals. Accumulation of trash, refuse, boxes, cartons, barrels, or other similar items shall not be permitted. In transporting trash and refuse from the Premises, CONCESSIONAIRE shall use only carts or equipment that are covered, leak-proof, and equipped with wheels suitable for operating on carpet without damage thereto. CONCESSIONAIRE specifically agrees to participate in the AUTHORITY'S recycling program to the greatest extent possible.

In addition, CONCESSIONAIRE shall make provision for extermination services, as necessary, and for regular cleaning of plumbing, grease traps and stove hoods.

11.18 – Portable Storage Containers/Structures

Unless specifically approved in writing, and under conditions specified by AUTHORITY, CONCESSIONAIRE shall not place or allow to be placed upon Airport Property, any type of portable storage container, trailer, unit, box, or barrel which is used to store merchandise and/or equipment and supplies outside of an enclosed permanent building or structure, which does not qualify as a building or structure under Title 18 of the Code of the City of Wichita. Unless specifically approved, and under conditions specified by AUTHORITY, CONCESSIONAIRE shall not place or allow to be placed upon Airport Property, any type of portable or temporary structure, trailer, mobile home, modular structure or device.

AUTHORITY shall not unreasonably withhold approval of such container(s) and structure(s) if such is of a temporary nature for the purpose of supporting construction, alteration or improvement activity, or other approved project.

12. MAINTENANCE AND REPAIRS

12.01 - CONCESSIONAIRE'S Maintenance and Repair Obligations

CONCESSIONAIRE shall be obligated, without cost to the AUTHORITY, to maintain the Premises and every part thereof and all Improvements therein, together with all Personal Property, fixtures, mirror glass, walls, ceilings, lighting, floors, equipment, and personal property therein, in good repair, safe condition, and in a clean and orderly condition and appearance at all times. CONCESSIONAIRE shall keep the areas immediately adjacent to the exits and entrances of the Premises clean, safe and orderly and free of displays, imperfections and obstructions, and shall promptly notify AUTHORITY of any safety hazards it observes near such exits/entrances on surfaces that are the responsibility of the AUTHORITY to maintain. Maintenance of the Premises shall include, without limitation:

- a) the cleaning and repair of all doors, entrances, gates and interior glass surfaces, counters, interior walls, ceilings, lighting, floors and floor coverings, decor, speakers, signage and equipment;
- b) re-lamping and repair of electrical lighting fixtures and receptacles within the Premises;
- c) routine repair, maintenance, and cleaning of air intake and distribution ceiling panels serving the Premises;
- d) all maintenance and repair of any cooling or smoke removal (or neutralizing) units installed by CONCESSIONAIRE;
- e) routine repair and maintenance, including grease removal and cleaning of all drains, traps, pipes, grease interceptors, exhaust hoods, ventilation fans, and main grease drain line from Premises to grease interceptor; (Documentation verifying the scheduled & periodic cleaning of the exhaust hoods shall be made available to the Authority upon request);
- f) maintenance and repair of all plumbing fixtures, pipes, drains, traps, and valves located in the Premises.
- g) maintenance and repair of grease drain line and grease interceptor in the Terminal as well as a ten (10) foot perimeter around the Terminal, of those lines and grease ducts that are dedicated to the CONCESSIONAIRE.
- h) cleaning of any service corridors serving the Premises, whenever such service corridors are dirty as a result of the actions of CONCESSIONAIRE, its Sublessees or its vendors/service providers;
- i) maintenance and repair, including maintenance contracts, for equipment, furniture and fixtures owned by AUTHORITY, if any, provided to CONCESSIONAIRE and repair of Personal Property owned by CONCESSIONAIRE;
- j) periodic inspections of such items as fire suppression system, emergency exit lighting, automatic shut off for natural gas and water, etc. (Inspection tags for suppression systems shall be displayed at all times for the Authority to review);

- k) Walls shall be painted or covered in the Premises no less frequently than every five (5) years or sooner when no longer capable of being adequately cleaned and/or when worn; and
- l) Carpeting/flooring shall be replaced in the Premises no less frequently than every five (5) years or sooner when no longer capable of being adequately cleaned and/or when worn.

CONCESSIONAIRE shall be responsible for the removal and disposal of garbage, debris, contaminants and any other waste material (whether solid or liquid) arising out of its occupancy of the Premises, and outside the Premises or resulting from its activities and operation. Such removal shall conform to all governmental requirements and regulations as more fully described herein. Such removal and disposal of garbage, debris, contaminants, or other waste material is understood to include routine clean-up of the Premises. CONCESSIONAIRE shall immediately react and take prompt corrective actions to remove and dispose of any paper, garbage and debris on Premises, and outside the Premises resulting from its activities and operations, upon demand of AUTHORITY.

CONCESSIONAIRE shall be responsible for all custodial service and care in and upon the Premises, including janitorial service, floor care, daily routine clean-up and trash removal to maintain the Premises in good, tenantable and highly professional condition and appearance at all times.

The AUTHORITY shall be the sole judge of the quality and timeliness of CONCESSIONAIRE'S maintenance and repairs. The AUTHORITY may at any reasonable time, without notice, enter the Premises to determine if satisfactory maintenance and repairs are being performed. If AUTHORITY determines that maintenance and repairs are not satisfactory, AUTHORITY shall so notify CONCESSIONAIRE in writing. If said maintenance and repairs are not properly performed by CONCESSIONAIRE within ten (10) calendar days after receipt of written notice from AUTHORITY, or such longer time as may be contained in the written notice, then AUTHORITY or its agents shall have the right to enter upon the Premises and perform the maintenance and repairs therefore and CONCESSIONAIRE agrees to promptly reimburse AUTHORITY for the direct costs thereof, plus twenty percent (20%) for administrative overhead.

Notwithstanding the above provision, any hazardous or potentially hazardous condition shall be corrected immediately when detected by CONCESSIONAIRE or upon receipt by CONCESSIONAIRE of verbal or written notice given by AUTHORITY. At the direction of the AUTHORITY or other proper authorities, CONCESSIONAIRE shall close the Premises until such hazardous or potentially hazardous condition is removed; during the period of such closure, there shall be no proportionate reduction of the MAG unless the reason for closure was

completely beyond the control of CONCESSIONAIRE, and CONCESSIONAIRE takes all necessary actions to abate the hazard as quickly as possible.

12.02 - Condition of Premises

CONCESSIONAIRE agrees to make all repairs (except for the repairs or work which are the specific responsibility of the AUTHORITY pursuant to this Agreement) to the Premises, including the Improvements and Personal Property thereon, and to maintain and keep the Premises in good and safe condition and repair, and to surrender and deliver up the same at the termination of this Agreement in as good order and condition as the same exists at the commencement of the Initial Term of this Agreement or as subsequently improved, reasonable wear and tear excepted.

12.03 – AUTHORITY’s Maintenance Responsibilities

Excluding the CONCESSIONAIRE’s Premises, AUTHORITY shall clean, maintain and operate in good condition the Terminal, excluding the CONCESSIONAIRE’s Premises, main grease line and grease interceptor, (including, but not limited to the roof and flooring of the Terminal) maintenance of main electrical and mechanical systems, maintenance of walls and ceilings. AUTHORITY shall maintain the public areas and Common Use areas in the Terminal and will provide adequate light, cold water and conditioned air. AUTHORITY agrees to make all necessary maintenance and repairs of a structural, load-bearing or flooring nature to CONCESSIONAIRE’s Premises at its own expense; provided, however, that for purposes of this Agreement such repairs shall not include repairs to any equipment and Personal Property installed by the CONCESSIONAIRE or its Sublessees and further provided that the CONCESSIONAIRE shall or shall cause its Sublessees to reimburse the AUTHORITY. If repairs are required resulting from negligent or intentional acts of the CONCESSIONAIRE, its officers, partners, employees, agents, contractors, subcontractors, licensees, Sublessees or invitees the AUTHORITY may charge the same cost to the expense of the CONCESSIONAIRE plus twelve percent (12%) administrative fee. The administrative fee shall be applied to the total cost incurred by the AUTHORITY in performing the task. The administrative fee represents the AUTHORITY’s cost to manage the task including procurement services, approval processes, management staff time, supervision and overhead. It does not include a profit component. In case of emergency action taken in order to protect against personal injury, property damage or other irreparable harm, AUTHORITY is authorized to act without notice and shall charge the same cost to the expense of CONCESSIONAIRE and a twenty percent (20%) administrative fee.

The CONCESSIONAIRE shall give the AUTHORITY written notice (or verbal notice in the event of any emergency conditions which may result in harm to the patrons of the Terminal, which verbal notice shall be followed by written notice within twenty-four (24) hours) describing any repair, which is the responsibility of the AUTHORITY. The AUTHORITY shall commence

the repair process promptly after its receipt of such written notice if the AUTHORITY agrees that such repair is required and is the AUTHORITY's responsibility hereunder.

13. SIGNAGE

CONCESSIONAIRE will display only signage that has been previously approved by the Director in writing and in accordance with the AUTHORITY's TCAP. The Director, in his sole discretion, shall have the right to require CONCESSIONAIRE to immediately remove any Signs or displays that are determined to be inappropriate for the Airport. Handwritten signage is expressly prohibited from being displayed at any time.

CONCESSIONAIRE shall not erect, install, operate, nor cause or permit to be erected, installed, or operated outside of the Premises, any Signs, banners, branding or other similar contrivances for its own business, or the business of others, without the AUTHORITY's prior written approval. This provision shall not have the effect of limiting or restricting CONCESSIONAIRE's right to enter into an agreement with AUTHORITY'S authorized and permitted marketing or signage agency for the display of informational, marketing or advertising media at approved designated locations at the Airport.

14. SANCTIONS

14.01 - Sanctions

Upon CONCESSIONAIRE'S violation of the Performance Standards and other responsibilities listed in the table in Section 14.02 below, CONCESSIONAIRE may be sanctioned for such violations in the amounts identified. Sanctions may accrue immediately and without notice upon violation. Violations must be cured at the earliest possible date. If condition of violation continues for more than two (2) calendar days after the AUTHORITY has given CONCESSIONAIRE notice of the violation, additional sanctions may be applied. Each violation occurrence shall be cumulative and expire 365 days from notification. Effects of violation shall be applied for 365 days from date of notification.

After five (5) violations in Section A or three (3) violations in Section B of the table in Section 14.02 within one calendar year (365 days), the Director reserves the right, at his/her sole option, not to impose the sanction and instead to seek any other remedies available under this Agreement, including termination of this Agreement.

If CONCESSIONAIRE believes that there were unforeseen circumstances beyond CONCESSIONAIRE'S reasonable control that caused CONCESSIONAIRE to violate the operating standards set forth herein, CONCESSIONAIRE may request that the AUTHORITY take such mitigating circumstances into consideration by submitting to the Director a written request which outlines and explains the mitigating circumstance in detail. The Director will review such request before imposing a sanction or taking any other action that he/she is entitled to take under this Agreement.

14.02 - Schedule of Sanctions

| | | |
|--|--------------------------|--|
| <i>Section A Violations:</i> | <i>Occurrence</i> | <i>Amount of Sanction</i> |
| Hours of Operation | 1 | Written Notification |
| Operations, Service Standards and Employee Standards | 2 | \$200 Sanction |
| Pricing | 3 | \$400 Sanction |
| Quality | 4 | \$750 Sanction |
| Signage | 5 | \$1,000 per occurrence thereafter or default under the Agreement |
| Interference with Utilities | | |
| Deliveries and Vendor Access | | |
| <i>Section B Violations:</i> | <i>Occurrence</i> | <i>Amount of Sanction</i> |
| Maintenance and Repairs | 1 | \$250 Sanction |
| Sanitation | 2 | \$500 Sanction |
| Hygiene and Cleanliness | 3 | \$1,000 per occurrence thereafter or default under the Agreement |
| Waste Disposal, Grease Disposal | | |
| Recycling | | |
| Health Code Violations | | |

15. UTILITIES

Facilities Installation and Upgrades. The CONCESSIONAIRE shall have the right to access utility services; including gas, water, sewer, trash collection, and electricity, which shall be made available or allowed to be made available to the Premises by the AUTHORITY. The CONCESSIONAIRE shall be responsible for upgrading any existing utilities at or upon the Premises, beyond that provided by the AUTHORITY, to the condition and capacity as may be required by the CONCESSIONAIRE. Any additional utility upgrade shall be at the CONCESSIONAIRE's sole expense, and must be approved in advance by the AUTHORITY. Should the CONCESSIONAIRE require utilities not provided by the AUTHORITY, the CONCESSIONAIRE shall, at the CONCESSIONAIRE's sole expense, install or cause to be installed such additional utilities; however, such installation shall require prior approval by the AUTHORITY.

Data Communications/Security Cable Installation. AUTHORITY is the only entity allowed to install or remove, or cause to be installed or removed, any communications cabling. Cabling includes, but is not limited to, any type of telecommunications or data cable such as CAT3, CAT5, CAT6; fiber optics cable; and/or coaxial cable. Cabling for basic phone service shall be provided and installed by the AUTHORITY. Should additional network cable, coaxial or fiber optic cable be required for CONCESSIONAIRE's operation, CONCESSIONAIRE shall request AUTHORITY to install the desired cabling, and such installation shall be at the CONCESSIONAIRE's expense. It shall be the CONCESSIONAIRE'S responsibility to contract for service using such AUTHORITY installed cables from CONCESSIONAIRE'S preferred service provider.

Utility Services. Utility services shall be provided to the CONCESSIONAIRE as additional charges, which shall include but not limited to: phone, data, electricity, gas, water, sewer, and trash disposal service. Utility services shall be provided through either the AUTHORITY, or other utility providers, and for which the CONCESSIONAIRE shall be responsible to pay separately, not as a component of rent. Payments for utility services used by CONCESSIONAIRE shall be made directly to the AUTHORITY, utility supplier or service provider. If utility service is supplied by the AUTHORITY, then CONCESSIONAIRE shall pay those costs to AUTHORITY within thirty (30) days after receipt of AUTHORITY'S invoice. AUTHORITY agrees that any such costs invoiced to CONCESSIONAIRE shall be based upon the uniform rates charged by the AUTHORITY to other airport users.

16. TENANT IMPROVEMENTS

16.01 - Introduction

Prior to the commencement of the Initial Term, CONCESSIONAIRE shall, at its sole cost and expense, complete the construction of the Premises as described throughout this Agreement (“Project”), in accordance with the Tenant Construction and Alteration Process Manual (TCAP), which is attached hereto as Exhibit C and incorporated herein by this reference.

Except as specifically provided for herein, the CONCESSIONAIRE agrees not to construct, install, remove, modify and/or repair any of the Premises without prior written approval of the Director, such approval not to be unreasonably withheld but may be contingent upon approval by AUTHORITY of plans and specifications for the proposed work as well as other conditions considered necessary by AUTHORITY.

CONCESSIONAIRE shall submit to AUTHORITY payment and performance/maintenance bonds, in a form acceptable to the AUTHORITY, in the full amount of the Tenant Improvement costs prior to commencement of tenant finish build-out or any subsequent Tenant Improvement.

For any construction on the Premises, CONCESSIONAIRE shall purchase and maintain a builder’s risk insurance policy, or require its prime contractor to carry such a policy, in a sum equal to the full project replacement value, with an insurer licensed in the State of Kansas. This coverage shall be in effect from the date of the construction notice-to-proceed and until all financial interest ceases. The Wichita Airport Authority and the City of Wichita shall be named as additional insured on such policies.

The quality, design and appearance of Tenant Improvements shall conform to the AUTHORITY’s TCAP and any other architectural design criteria, and be consistent with first-class, modern facilities. Such construction shall be performed in a good and workmanlike manner and in accordance with the plans and specifications approved for same. At all times during such construction, CONCESSIONAIRE shall have a copy of the approved plans and specifications at the Airport for inspection by AUTHORITY or other governmental agencies.

Any review or approval by the AUTHORITY of CONCESSIONAIRE’S plans or an inspection by AUTHORITY of the Project work or materials shall not be deemed to constitute a waiver or release by AUTHORITY of any obligation or responsibility of CONCESSIONAIRE hereunder, or an assumption of any risk or liability by AUTHORITY with respect thereto, and CONCESSIONAIRE shall make no claim against AUTHORITY on account of such review, approval, or inspection.

16.02 - Construction of Tenant Improvements

CONCESSIONAIRE shall provide, construct and install on its Premises, at its sole cost and expense, all Tenant Improvements necessary and appropriate to operate its Food and Beverage Concession at the Terminal in a manner adequate to fully serve the needs of the traveling public. CONCESSIONAIRE shall use the TCAP Manual to govern its build-out activities.

All construction is subject to issuance of a certificate of occupancy from the City of Wichita-Sedgwick County Metropolitan Area Building Construction Department before occupancy and use.

CONCESSIONAIRE shall supply all Personal Property necessary for the operation of the Food and Beverage Concession. All Personal Property contained within the Premises must be of first-class quality, safe, fire resistant, attractive, in compliance with the TCAP Manual (Exhibit C), and may be installed only with the AUTHORITY'S prior written approval.

CONCESSIONAIRE shall cause all Tenant Improvements authorized herein to be constructed only by a contractor properly licensed by the State of Kansas to construct such Tenant Improvements.

CONCESSIONAIRE shall be solely responsible for payment to such contractor for all elements of such construction, and shall keep the Premises free and clear of all mechanics liens resulting from any construction thereto by or on behalf of CONCESSIONAIRE. CONCESSIONAIRE may contest the correctness or validity of any such lien, but shall indemnify, defend, and hold harmless the AUTHORITY, its elected representatives, officers, agents, and employees, and the Premises from any and all claims and liability for payment of any such lien. The AUTHORITY may file notice of non-responsibility for its lien protection.

16.03 - Approval by Director

Before the commencement of any such construction, detailed plans and specifications, including any modifications or amendments thereto requested by AUTHORITY, shall be filed by CONCESSIONAIRE with and approved, in writing, by Director and all governmental agencies and authorities having jurisdiction over such construction. CONCESSIONAIRE shall, at its sole expense, obtain all necessary licenses, permits, and approvals required for construction of the Tenant Improvements that may be required.

16.04 - Coordination of Construction

CONCESSIONAIRE shall cooperate with the AUTHORITY in the construction of Tenant Improvements. CONCESSIONAIRE agrees that all construction and installation of Tenant Improvements on Airport Property shall be accomplished without obstructive, impeding or

interfering with other users of the Airport, and that CONCESSIONAIRE and its construction contractor and subcontractors shall at all times keep the construction site and surrounding areas clean, orderly, safe, free of accumulated construction debris and waste materials, and shall be solely responsible for removal of all construction debris and waste materials to a suitable licensed landfill away from the Airport.

16.05 - Permits and Temporary Utilities

CONCESSIONAIRE shall be responsible for the cost of relocations, obtaining and paying for building permits, and any temporary utilities which may be required for or during construction of the Tenant Improvements.

16.06 - Removal of Unapproved Tenant Improvements

Tenant Improvements made on the Premises without the Director's written approval as required under this Section or portions of the Tenant Improvements that are not constructed as indicated and specified on approved plans shall be considered to be unapproved Tenant Improvements constructed in violation of the provisions of this Agreement. Unapproved Tenant Improvements shall be removed by CONCESSIONAIRE, at CONCESSIONAIRE's sole expense, within thirty (30) calendar days following CONCESSIONAIRE's receipt of written notice to do so from Director.

16.07 – Removal and Demolition

CONCESSIONAIRE shall retain title to its Tenant Improvements in, at or serving the Premises for so long as such Premises are leased to CONCESSIONAIRE under this Agreement. Thereafter, the AUTHORITY, at its option, reserves the right to take immediate title to some or all of such Tenant Improvements at no cost or expense. Those Tenant Improvements to which the AUTHORITY does not take title must be removed expeditiously by CONCESSIONAIRE and, any damage caused by the removal of such Tenant Improvements must be repaired by the CONCESSIONAIRE at no cost to the AUTHORITY, unless otherwise agreed to in writing by the AUTHORITY.

All tenant finishes constructed and installed upon the Premises pursuant to the provisions of this Section shall be, and shall remain, the property of CONCESSIONAIRE unless tenant finishes are permanently affixed to the Premises, in which case these fixtures remain the sole property of the AUTHORITY. CONCESSIONAIRE shall not, however, remove any of the tenant finishes from the Premises, nor waste, destroy, demolish or alter, any of the tenant finishes on the Premises except as permitted by this Agreement. Upon expiration or earlier termination of this Agreement, CONCESSIONAIRE shall be obligated to remove all tenant finishes constructed or installed upon the Premises unless AUTHORITY has consented that such tenant finishes may remain upon the Premises. If AUTHORITY has not provided consent that such tenant finishes

remain , and if CONCESSIONAIRE fails to remove said tenant finishes within thirty (30) days following expiration or earlier termination of this Agreement, AUTHORITY shall become the owner thereof, and may exercise any and all of its legal rights or remedies, including the right, with or without legal process, to remove and dispose of said tenant finishes without notice to, or consent of, CONCESSIONAIRE. In the event AUTHORITY removes and disposes of said tenant finishes, CONCESSIONAIRE agrees to pay to AUTHORITY the cost of such disposal plus an administrative fee of twelve percent (12%). The administrative fee shall be applied to the total cost incurred by the AUTHORITY in performing the task. The administrative fee represents the AUTHORITY's cost to manage the task including procurement services, approval processes, management staff time, supervision and overhead. It does not include a profit component. In case of emergency action taken in order to protect against personal injury, property damage or other irreparable harm, AUTHORITY is authorized to act without notice and shall charge the same cost to the expense of CONCESSIONAIRE and a twenty percent (20%) administrative fee.

CONCESSIONAIRE shall not remove or demolish, in whole or in part, any Improvements upon the Premises without the prior written consent of the AUTHORITY, which may, at its discretion, condition such consent upon the obligation of CONCESSIONAIRE replacing the same by a reasonable Tenant Improvement specified in such consent. CONCESSIONAIRE shall obtain written consent before commencing demolition and restoration as described in this Section. Failure to obtain such consent shall entitle the AUTHORITY to such compensation as is necessary to restore the affected Improvements, plus a twelve percent (12%) administrative fee. The administrative fee shall be applied to the total cost incurred by the AUTHORITY in performing the task. The administrative fee represents the AUTHORITY's cost to manage the task including procurement services, approval processes, management staff time, supervision and overhead. It does not include a profit component.

In case of emergency action taken in order to protect against personal injury, property damage or other irreparable harm, AUTHORITY is authorized to act without notice and shall charge the CONCESSIONAIRE the total cost incurred by the AUTHORITY in performing the task plus a twenty percent (20%) administrative fee.

16.09 - Minimum Facility Build-Out Investment

As shown in CONCESSIONAIRE'S Proposal, CONCESSIONAIRE has committed to spend a Minimum Facility Build-Out Investment of at least \$350 (three hundred and fifty dollars) per square foot for the development of each Concession Facilities Space. This development shall include the cost of AUTHORITY-approved Tenant Improvements and Personal Property. Not less than 85% of the Minimum Facility Build-Out Investment amounts must be expended on construction "hard costs" of materials, direct labor, equipment, finishes, signage, lighting,

HVAC, and other construction costs exclusive of “soft costs” of design, engineering, construction supervision, permitting, specialist consultants, overheads, corporate construction administration, and other fees. In order to ensure that the committed investment is made, the CONCESSIONAIRE will be required to pay the AUTHORITY one hundred and twenty percent (120%) of any difference between the proposed Minimum Facility Build-Out Investment and the actual facility build-out costs. CONCESSIONAIRE shall cause the Project to be constructed in accordance with this Section. The AUTHORITY will not be responsible for costs that exceed the CONCESSIONAIRE’S proposed Minimum Facility Build-Out Investment per square foot.

16.10 - Mid-Term Refurbishment

A mid-term refurbishment minimum investment of \$75.00 per square foot at each Concession Facilities Space location is also required. This is a firm commitment to reinvest in the facilities and replace worn and damaged finishes. The refurbishment minimum is not for ordinary or deferred maintenance, which is an ongoing requirement, but is a commitment to renew and replace worn surfaces such that it would constitute additional capital investment. The refurbishment requirement, which is an obligation to be satisfied by the end of the sixth Contract Year of the Initial Term, is subject to prior consultation and approval by the AUTHORITY.

Notwithstanding the foregoing mid-term reinvestment requirement, CONCESSIONAIRE shall repaint or refinish, at CONCESSIONAIRE’S own cost, high traffic areas within the Premises subject to greater than normal wear on a schedule to be specified by CONCESSIONAIRE, or as may be required by the Director. All Tenant Improvements and Personal Property that become worn, chipped, dented, gouged or otherwise damaged, shall be repaired or replaced by CONCESSIONAIRE, at CONCESSIONAIRE’S sole expense, as soon as reasonably possible.

16.11 - Liquidated Damages for Failure to Timely Complete the Project

It is imperative that CONCESSIONAIRE is ready to open for business at all of its Concession Facilities Space locations at the commencement of the Initial Term hereof in order serve the traveling public. The failure of the CONCESSIONAIRE to complete its Tenant Improvements and open for business by the commencement of the Initial Term shall result in damages as a result of this failure. Therefore, it is agreed that as liquidated damages, CONCESSIONAIRE agrees to pay to the AUTHORITY the amount of Five Hundred Dollars (\$500.00) per Day for each Concession Facilities Space location from Opening Day until its opening date, if CONCESSIONAIRE fails to complete the Project and obtain all approvals necessary for opening all of the Concession Facilities Space locations at the commencement of the Initial Term. This amount shall be in addition to all Concession Fees and other payment obligations set forth herein.

16.12 - Certification of Costs of Tenant Improvements, Personal Property and Mid-Term Refurbishments

CONCESSIONAIRE shall provide the AUTHORITY with a Tenant Improvements Cost Statement in a format satisfactory to the AUTHORITY, including certified receipts and lien releases for its Tenant Improvements, Personal Property, and Mid-Term Refurbishments within ninety (90) Days of the completion of the construction/refurbishment to confirm the amount of the investments.

16.13 – As-Constructed Record Drawings

Within sixty (60) Days after construction completion, CONCESSIONAIRE shall furnish to the AUTHORITY one (1) complete set of electronic AutoCAD format Record Drawings and one (1) complete set of either pdf, dwf, or tif files showing the “as-constructed” Tenant Improvements. Record Drawings shall be dated and stamped by the engineer or architect of record. If by the sixtieth (60th) day after construction has been completed CONCESSIONAIRE fails to submit “as-constructed” drawings, CONCESSIONAIRE shall pay penalties in the amount of one hundred dollars (\$100.00) per Day until such a time when drawings have been submitted.

17. ENVIRONMENTAL COVENANTS

17.01 - CONCESSIONAIRE’s Indemnification

The CONCESSIONAIRE hereby covenants that it shall not cause or permit any Hazardous Material(s) to be placed, held, located, or disposed of, on, under or at any portion of the Airport Property except the Premises, and then only in the ordinary course of business and in compliance with all applicable laws.

In furtherance and not in limitation of any indemnity elsewhere provided in this Agreement to the AUTHORITY, the CONCESSIONAIRE hereby agrees to indemnify and hold harmless the AUTHORITY and the City from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys’ fees, costs of any settlement or judgment and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, the AUTHORITY or the City by any person or entity for or arising out of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Premises or Airport Property to which CONCESSIONAIRE has access during any Term of this Agreement of any substance (hazardous or otherwise) regulated by any applicable statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability, including strict liability, or standards of conduct concerning, any Hazardous Material(s) (including, without limitation, any losses, liabilities, reasonable attorneys’ fees, costs of any settlement or judgment or claims asserted or arising under the Comprehensive

Environmental Response, Compensation and Liability Act, any federal, State or local so-called “Superfund” or “Super lien” laws), if such presence, escape, seepage, leakage, spillage, discharge, or emission was caused by the CONCESSIONAIRE, its Sublessees, or persons within the control of the CONCESSIONAIRE, its officers, employees, agents, contractors, invitees and/or licensees, or if such substance (hazardous or otherwise) was owned by, or located on the Premises or Airport Property to which CONCESSIONAIRE has access (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release).

17.02 - CONCESSIONAIRE’S Receipt of Notices

If, during the Term of this Agreement, the CONCESSIONAIRE receives any notice of (i) the happening of any event involving the use (other than in the ordinary course of business and in compliance with all applicable laws), spill, release, leak, seepage, discharge or cleanup of any substance (hazardous or otherwise) on the Premises or Airport Property to which CONCESSIONAIRE has access or in connection with the CONCESSIONAIRE’s operations thereon or (ii) any complaint, order, citation or notice with regard to air emissions, water discharges, or any other environmental, health, or safety matter affecting the CONCESSIONAIRE from any persons or entity (including, without limitation, the United States Environmental Protection Agency (the “EPA”) or the Kansas Department of Health and Environment (“KDHE”), the CONCESSIONAIRE shall immediately notify the AUTHORITY in writing and provide AUTHORITY copy of said notice.

17.03 - AUTHORITY’S Rights

The AUTHORITY shall have the right, but not the obligation, and without limitation of the AUTHORITY’s other rights under this Agreement, to enter the Premises or to take such other actions as deemed necessary or advisable to inspect, clean up, remove, resolve or minimize the impact of, or to otherwise deal with, any substance (hazardous or otherwise) or environmental complaint following receipt of any notice from any person, including, without limitation, the EPA or KDHE, asserting the existence of any substance (hazardous or otherwise) or an environmental complaint pertaining to the Premises or any part thereof which, if true, could result in an order, suit or other action against the CONCESSIONAIRE and/or which, in the reasonable judgment of the AUTHORITY, could jeopardize its interests under this Agreement. If such conditions are caused by circumstances within the control of the CONCESSIONAIRE or if such circumstances result from a substance (hazardous or otherwise) owned by, or located on the Premises or Airport Property to which CONCESSIONAIRE has access, (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release) all reasonable costs and expenses incurred by the AUTHORITY plus a twenty percent (20%) administrative fee in the exercise of any such rights shall be payable by the CONCESSIONAIRE, within 15 days of written demand by AUTHORITY.

17.04 - Environmental Audit and Risk Assessment

If an event of default shall have occurred and be continuing, the CONCESSIONAIRE at the request of the AUTHORITY shall periodically perform, at the CONCESSIONAIRE's expense, an environmental audit and, if reasonably deemed necessary by the AUTHORITY, an environmental risk assessment, of the Premises, or the hazardous waste management practices and/or hazardous waste disposal sites used by the CONCESSIONAIRE with respect to the Premises. Such audits and/or risk assessments shall be conducted by an environmental consultant satisfactory to the AUTHORITY, and all environmental audits and environmental risk assessments must be reasonably satisfactory to the AUTHORITY. Should the CONCESSIONAIRE fail to perform any such environmental audit or risk assessment within 90 days of the written request of the AUTHORITY, the AUTHORITY shall have the right, but not the obligation, to retain an environmental consultant to perform any such environmental audit or risk assessment. All costs and expenses incurred by the AUTHORITY in the exercise of such rights, plus a twenty percent (20%) administrative fee, shall be payable by the CONCESSIONAIRE, within 15 days of written demand by AUTHORITY.

17.05 - Restrictions

Neither CONCESSIONAIRE nor AUTHORITY shall install or permit to be installed in the Premises friable asbestos, lead-based paint, electrical equipment containing polychlorinated biphenyls (PCBs), or any substance containing asbestos and deemed hazardous by federal or State regulations applicable to the Premises and respecting such material. The CONCESSIONAIRE shall defend, indemnify, and save the AUTHORITY and the City of Wichita harmless from all costs and expenses (including consequential damages) asserted or proven against the CONCESSIONAIRE by any person, as a result of the presence of said substances, and the costs of any removal or compliance with such regulations, if said substance was installed by the CONCESSIONAIRE, or persons within its control.

17.06 - AUTHORITY'S Indemnification

Subject to any limitations or restrictions imposed by the Kansas Budget Law or Cash Basis Law, the AUTHORITY hereby agrees to indemnify and hold harmless the CONCESSIONAIRE from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, the CONCESSIONAIRE by any person or entity for, arising out of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Premises during the Term of this Agreement and the period prior to the Term of this Agreement of any substance (hazardous or otherwise) (including, without limitation, any losses, liabilities, reasonable attorneys' fees, costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, any federal, State or

local so-called “Superfund” or “Super lien” laws, or any other applicable statute, law, ordinance, code, rule, regulation, order of decree regulating, relating to or imposing liability, including strict liability, or standards of conduct concerning any Hazardous Material(s)) unless such presence, escape, seepage, leakage, spillage, discharge, emission or release was caused by the CONCESSIONAIRE, or persons within the control of the CONCESSIONAIRE, its officers, employees, agents, invitees and/or licensees, or if such substance (hazardous or otherwise) was owned by, or placed upon the Premises or Airport Property to which CONCESSIONAIRE has access by the CONCESSIONAIRE (without regard to the actual cause of any escape, seepage, leakage, spillage, discharge, emission or release except to the extent such was caused by the AUTHORITY).

17.07 - Compliance

Environmental compliance shall not be limited to those items noted within this Agreement but shall include any current or future federal, State, or local law, statute or regulation, that may be required of CONCESSIONAIRE’s operation (storage or use of substances (hazardous or otherwise), activities of CONCESSIONAIRE’s or its Sublessees’ employees or contracted vendors etc.). CONCESSIONAIRE shall provide AUTHORITY upon request copies of any plan, training program, training records, material safety data sheet or any other documentation required by said laws.

17.08 - Wastes

Wastes not legally permitted and authorized for disposal into the storm and/or sanitary drainage system shall not be discharged, connected or introduced into storm and/or sanitary drains and the storm and/or sanitary drainage system. CONCESSIONAIRE shall take all reasonable precautions to prevent the discharge of material into any drainage system that would create interference with the flow therein, or that would cause a hazard or unlawful contamination thereto. In compliance with current KDHE storm water regulations, or as such regulations may be amended in the future, CONCESSIONAIRE is required to evaluate its operation within its Premises and determine if compliance is required with stormwater regulations (National Pollutant Discharge Elimination System (NPDES) Stormwater Runoff from Industrial Activity General Permit) or written authorization of a “No Exposure Certification” issued by the KDHE. A copy of the CONCESSIONAIRE’s NPDES Notice of Intent or “No Exposure Certification” issued by the KDHE shall be provided to the AUTHORITY within thirty (30) days of CONCESSIONAIRE’s occupation of the Premises.

17.09 - Survival of Provisions

The provisions of this Section shall survive the termination of this Agreement.

18. SURRENDER OF POSSESSION AND RESTORATION

CONCESSIONAIRE shall yield and deliver to AUTHORITY possession of the Premises at the expiration or termination of this Agreement in good condition in accordance with CONCESSIONAIRE's obligations in this Agreement, except for reasonable wear and tear, or fire or other casualty for which full insurance compensation has been paid as agreed. CONCESSIONAIRE shall, at its expense, deliver the Premises in good order and condition, including: (1) cleaning and hauling away all supplies and trash; (2) removing by legal means all materials and substances classified as hazardous; (3) leaving in operating condition all bulbs and ballasts; (4) replacing all broken glass, (5) returning to AUTHORITY all keys and security ID badges to all doors and gates, and (6) repairing or replacing any AUTHORITY owned facilities and property which may be damaged by CONCESSIONAIRE beyond reasonable wear and tear resulting from the yielding and delivering of the Premises.

The removal of Personal Property, shall be effected and all damage caused to said Premises by such removal shall be repaired or replaced by CONCESSIONAIRE within thirty (30) days after the termination or expiration of the Agreement. Should the CONCESSIONAIRE fail to remove said Personal Property within the prescribed thirty (30) day period, title to all such Personal Property shall vest in the AUTHORITY which may retain such Personal Property for its own use. In the alternative, the AUTHORITY may cause the removal of all or any portion of such Personal Property at the sole risk and expense of the CONCESSIONAIRE.

19. PERSONAL PROPERTY

For purposes of this Agreement, Personal Property shall mean any property, trade fixtures, furnishings and equipment which are placed upon or within the Premises in such a manner that are not permanently affixed and can be readily removed without damage to the Premises and without substantially changing the character of the facilities and Improvements thereon, and that are the removable property that CONCESSIONAIRE places upon or within the Premises for use in the operation of a Food and Beverage Concession. All property, including point-of-sale equipment, moveable furnishings, signs, tables, chairs, appliances, safes, display racks, and any other non-affixed property, shall be deemed to be the Personal Property of the CONCESSIONAIRE.

Any Personal Property of CONCESSIONAIRE or others placed in or upon the Premises shall be at the sole risk of the CONCESSIONAIRE, and AUTHORITY shall not be responsible or liable for any loss, damage and replacement thereto, regardless of the cause of such loss or damage, and

the CONCESSIONAIRE waives all rights of subrogation against recovery from the AUTHORITY for such loss or damage.

The parties agrees that all Personal Property owned and placed upon or within the Premises by the CONCESSIONAIRE shall be removed by the CONCESSIONAIRE in accordance with Section 18 of this Agreement at the termination or expiration of this Agreement subject to any valid lien which AUTHORITY may have on that Personal Property for unpaid rents, expenses or fees; provided the CONCESSIONAIRE shall not then be in default in performance of the covenants hereof.

20. TAXES

CONCESSIONAIRE agrees to pay all present and future taxes or, in lieu of taxes, special assessments now or hereafter levied, assessed, or passed-through: (1) upon the Premises and facilities; (2) upon Personal Property owned or possessed by CONCESSIONAIRE and situated upon or within the Premises; and (3) upon CONCESSIONAIRE'S interest in or use of the Premises. CONCESSIONAIRE shall defend, indemnify and save AUTHORITY and the City harmless from any claims or liens in connection with such taxes, obligations in lieu of taxes or assessments.

CONCESSIONAIRE shall promptly pay all taxes, excises, license fees and permit fees of whatever nature applicable to its operation of the Premises. CONCESSIONAIRE may elect, however, at its own cost and expense, to contest any such tax, excise, levy, or assessment. CONCESSIONAIRE shall keep current all federal, State and local licenses, operating certificates and permits required for the conduct of its operations. CONCESSIONAIRE represents and warrants to AUTHORITY that it has obtained all license, franchise, operating certificates or other agreements or permits necessary to operate CONCESSIONAIRE's operation in accordance with the terms of this Agreement, and CONCESSIONAIRE covenants to keep all such licenses, franchises, permits, operating certificates and other agreements in full force and effect during the Term of this Agreement.

CONCESSIONAIRE shall pay all lawful taxes and assessments which, during the Term hereof, may become a lien upon or which may be levied by the State, County, City or any other tax levying body, upon the Premises or upon any taxable interest of CONCESSIONAIRE acquired in this Agreement, or any taxable possessory right which CONCESSIONAIRE may have in or to the Premises, including any Improvements or facilities located on the Premises. CONCESSIONAIRE shall also pay all lawful taxes and assessments on taxable property, real or personal, owned by CONCESSIONAIRE in and about said Premises. Nothing in this Section

shall prevent CONCESSIONAIRE from contesting the legality, validity or application of any such tax or assessment to the full extent CONCESSIONAIRE may be lawfully entitled so to do.

21. MISCELLANEOUS COVENANTS

CONCESSIONAIRE shall observe and comply with any and all present and future requirements of the constituted public authorities and with all Federal, State, or local statutes, ordinances, regulations and standard rules applicable to CONCESSIONAIRE or its use of the Premises, including by way of example but not of limitation, all general rules and regulations promulgated from time to time by the Director in connection with the administration of the Airport.

CONCESSIONAIRE shall bear all operating expenses, including but not limited to: employees' salaries, taxes, licenses and fees required by governmental agencies.

CONCESSIONAIRE hereby agrees to make no claims or file or cause to be filed any legal or equitable actions against AUTHORITY or the City for any kind of damages which result from the operation of the Airport, including noise or sound shock waves due to aircraft use of said Airport's facilities.

22. INDEMNITY AND INSURANCE BY CONCESSIONAIRE

22.01 - Indemnity

CONCESSIONAIRE hereby agrees to release, to defend, to indemnify and to save harmless the AUTHORITY and the City of Wichita, Kansas, and their officers, agents and employees, (i) from and against any and all loss of or damage to property, or injuries to or death of any person or persons, as well as (ii) from and against any and all claims, damages, suits, costs, expense, liability, actions or proceedings of any kind or nature whatsoever (including, without limiting the generality of the foregoing, Workers Compensation and any assessments resulting from civil penalties or regulatory), of or by anyone whomever in matters resulting from or arising out of, or alleged to have resulted from or to have arisen out of, directly or indirectly, CONCESSIONAIRE'S operations or activities under or in connection with this Agreement, or CONCESSIONAIRE'S use and occupancy of any portion of the Airport, and including, without limiting the generality of the foregoing, acts and omissions of CONCESSIONAIRE'S officers, employees, representatives, Sublessees, suppliers, customers, contractors or agents. Provided, however, CONCESSIONAIRE shall not be liable for any loss occasioned by the sole negligence or misconduct of the AUTHORITY, The City of Wichita, Kansas or their officers, agents, and

employees. AUTHORITY covenants to give CONCESSIONAIRE prompt notice of any claims. The foregoing indemnity shall survive the expiration or earlier termination of this Agreement.

In the event, however, the certificate of insurance provided by CONCESSIONAIRE is void of any mention of coverage for its obligations to indemnify, CONCESSIONAIRE irrefutably covenants and agrees that CONCESSIONAIRE has the maximum allowed insurance for its obligations to indemnify and AUTHORITY may rely on said covenant. The coverage for indemnification given by CONCESSIONAIRE under this Agreement shall not in any way limit CONCESSIONAIRE'S indemnification obligations hereunder. The minimum insurance requirements set forth below shall not be deemed to limit the obligations of CONCESSIONAIRE hereunder.

Should CONCESSIONAIRE, its employees, Sublessees, subcontractors, suppliers, agents, customers, and/or representatives cause any violations of federal, State or local law, regulation or ordinance, and should AUTHORITY be cited for a fine or penalty for such violation, CONCESSIONAIRE agrees to reimburse AUTHORITY for any monetary fine or penalty which may be imposed on AUTHORITY. However, nothing herein shall prevent the CONCESSIONAIRE from contesting the legality, validity or application of such fine or penalty to the full extent CONCESSIONAIRE may lawfully be entitled, nor require AUTHORITY to pursue such a contest on CONCESSIONAIRE's behalf.

22.02 - Liability Insurance

CONCESSIONAIRE shall procure, maintain and carry, at its sole cost, in accordance with and/or until completion of this Agreement all insurance, as required per the amounts as set forth below. Insurance shall be furnished by a company licensed to do business in the State of Kansas.

Insurance certificates shall be issued on a standard ACORD form or such other documentation as may be acceptable to AUTHORITY in its discretion and include the NAIC number of the insuring company. Each insurance company's rating, as shown in the latest Best's Key Rating Guide, shall be no less than A-VII, unless otherwise approved by the AUTHORITY, or from a Workers' Compensation pool approved by the State of Kansas. Insurance certificates must be received and approved by the AUTHORITY prior to occupancy but failure to provide approved certificates shall not delay Opening Day for purposes of Concession Fees or rent accrual. AUTHORITY retains the right to require changes in the character, coverages and amounts of coverage commensurate with changes in the CONCESSIONAIRE'S use of the Premises.

The failure of AUTHORITY to reject the CONCESSIONAIRE'S proffered insurance shall not be deemed to constitute an acceptance by the AUTHORITY of deficient insurance coverage. If

the CONCESSIONAIRE fails to procure or maintain any of the specified coverages the AUTHORITY has the right, but not the obligation, to secure the coverage and charge the cost to the CONCESSIONAIRE along with a 20% administrative fee.

The CONCESSIONAIRE shall be responsible for determining the types and limits of insurance coverage required by any approved Sublessee. At a minimum, such Sublessee shall carry Workers' Compensation, general liability (minimum of \$1,000,000 per occurrence) and automobile liability (minimum of \$500,000 combined single limit). CONCESSIONAIRE shall require in any approved sublease that the Wichita Airport Authority and the City of Wichita shall be added as primary and non-contributory additional insureds on the Sublessee's general liability policy.

The requirements, procurement and carrying of the required insurance shall not limit any of the CONCESSIONAIRE's obligations or liability under this Agreement or as a matter of law.

Where "minimum limits" of insurance are specified in this Section, such minimum insurance limits are required and considered by AUTHORITY to be the lowest insured amounts acceptable under this Agreement. The CONCESSIONAIRE is not limited or restricted whatsoever in securing additional insurance coverage and higher insured limits than those specified herein if, at the CONCESSIONAIRE's determination and discretion and commensurate with the type of activity and associated business and operational risk, additional coverage and higher limits are necessary and appropriate.

Insurance shall include the following terms, conditions and minimum limits:

a) WORKERS' COMPENSATION

CONCESSIONAIRE shall maintain Workers' Compensation insurance to cover the statutory requirements of the Workers' Compensation laws of the State of Kansas for its operations on the Premises and elsewhere at the Airport, and when applicable, to Federal Laws and Voluntary Compensation and Employer's Liability (including occupational disease) coverage.

b) AUTOMOBILE LIABILITY

CONCESSIONAIRE shall maintain automobile insurance, which shall include all owned, non-owned and hired automobiles used at the Airport, and shall have minimum bodily injury and property damage limits as outlined herein.

Each Occurrence

\$1,000,000 Combined Single Limit for
bodily injury and property damage for all

vehicles owned or operated by
CONCESSIONAIRE.

If CONCESSIONAIRE brings its vehicle(s)
inside the Security Identification Display
Area (SIDA), then it shall provide coverage
in the amount of \$4,000,000.

c) COMMERCIAL GENERAL LIABILITY

CONCESSIONAIRE shall maintain Commercial General Liability Insurance on an
occurrence form. Minimum limits, as outlined herein, shall be:

| | |
|-----------------|--|
| Each Occurrence | \$1,000,000 Combined Single Limit for bodily injury and property damage. Coverage thereunder shall include contractual liability, personal injury, owners' and contractors' protection, fire legal, products/completed operations, liquor liability, and broad form property damage coverage. |
|-----------------|--|

The Wichita Airport Authority and the City of Wichita shall be added as primary and
non-contributory additional insureds. The policy shall also provide coverage for
CONCESSIONAIRE's contractual obligations created in this Agreement.

d) UMBRELLA/EXCESS LIABILITY COVERAGE

The CONCESSIONAIRE shall provide minimum Umbrella/Excess liability limits
(excess of all coverages other than Workers' Compensation) of:

| | |
|------------------------|-------------|
| Each Occurrence Limit | \$1,000,000 |
| Annual Aggregate Limit | \$1,000,000 |

The Wichita Airport Authority and the City of Wichita shall be added as primary and
non-contributory additional insureds covered under this umbrella/excess liability
coverage.

CONCESSIONAIRE agrees that in the event of future changes in the law or upon notice by the AUTHORITY, the minimum levels of insurance required by this Section may be increased within the bounds of commercial reasonableness.

CONCESSIONAIRE agrees, prior to the commencement of this Agreement, to provide AUTHORITY with copies of certificates, and if requested, of all policies evidencing that such insurance is in full force and effect, and stating the terms thereof. This Agreement shall not commence until policies of insurance satisfactory to AUTHORITY are supplied by CONCESSIONAIRE. CONCESSIONAIRE shall provide AUTHORITY updated certificates of insurance the earlier of annually, or upon renewal, which certificate shall demonstrate the coverage required in this Section for the ensuing twelve (12) month period. Failure to maintain satisfactory insurance policies in force shall constitute grounds for cancellation of this Agreement as set forth in Section 24, Termination By AUTHORITY In Event Of Default.

CONCESSIONAIRE shall be solely responsible for obtaining insurance policies that provide coverage for losses of CONCESSIONAIRE-owned property. Authority shall not be required to provide such insurance coverage or be responsible for payment of CONCESSIONAIRE's cost for such insurance.

22.03 - Subrogation of Insurance

AUTHORITY hereby waives any and all rights of recovery against CONCESSIONAIRE for or arising out of damage or destruction of the Terminal, or the demised Premises, or any other property of AUTHORITY, from causes then included under any of its property insurance policies, to the extent such damage or destruction is covered by the proceeds of such policies, whether or not such damage or destruction shall have been caused by the negligence of CONCESSIONAIRE, its Sublessees, agents, servants or employees or otherwise, but only to the extent that its insurance policies then in force permit such waiver without diminution of AUTHORITY coverage.

CONCESSIONAIRE hereby waives any and all rights of recovery against AUTHORITY for or arising out of damage to or destruction of any property of CONCESSIONAIRE from causes then included under any of its property insurance policies, to the extent such damage or destruction is covered by the proceeds of said policies, whether or not such damage or destruction shall have been caused by the negligence of AUTHORITY, its agents, servants or employees or otherwise, but only to the extent that its insurance policies then in force permit such waiver.

22.04 - Loss of Personal Property

Any personal property of CONCESSIONAIRE or third parties placed in or upon the Premises shall be at the sole risk of the CONCESSIONAIRE, and AUTHORITY shall not be responsible or liable for any loss, damage and replacement thereto, regardless of the cause of such loss or damage, and the CONCESSIONAIRE waives all rights of subrogation against recovery from the AUTHORITY for such loss or damage unless such loss or damage is the result of the AUTHORITY's negligence.

23. INDEPENDENCE OF AGREEMENT

It is understood and agreed that nothing herein is intended or should be construed in any way as creating or establishing the relationship of co-partners between the parties hereto or of creating a joint venture or as establishing CONCESSIONAIRE as the agent, representative, or employee of the Authority for any purpose or in any manner whatsoever.

24. TERMINATION BY AUTHORITY IN EVENT OF DEFAULT

24.01 AUTHORITY'S Termination Rights

- a) In the event that CONCESSIONAIRE shall fail to perform, keep and observe any of the terms, covenants or conditions made an obligation of the CONCESSIONAIRE in this Agreement, AUTHORITY may give written notice to CONCESSIONAIRE to correct such condition or default; and, if CONCESSIONAIRE shall not correct such condition or default within thirty (30) days after such notice, AUTHORITY may terminate this Agreement by giving ten (10) Days notice and the Term hereby demised shall thereupon cease and expire at the end of such ten (10) Days in the same manner and effect as if it were the expiration of the Term. No default on the part of the CONCESSIONAIRE shall be deemed to continue so long as CONCESSIONAIRE shall have promptly taken action to correct the same and shall be diligently prosecuting such action. In any case where AUTHORITY shall be entitled hereunder to terminate this Agreement, AUTHORITY may, as an alternative to termination of the Agreement, perform the obligation imposed under this Agreement for the account of and at the expense of the CONCESSIONAIRE and the same shall be paid by CONCESSIONAIRE as additional rent within thirty (30) Days following the date of receipt by CONCESSIONAIRE of an invoice for the expense.

- b) AUTHORITY may terminate this Agreement and all of its obligations hereunder by giving CONCESSIONAIRE ten (10) Days written notice upon or after filing by CONCESSIONAIRE of a voluntary petition in bankruptcy.
- c) AUTHORITY may terminate this Agreement and all of its obligations hereunder by giving CONCESSIONAIRE sixty (60) Days written notice upon or after failure of CONCESSIONAIRE to vacate or set aside the following:
 - (1) If involuntary proceedings in bankruptcy be instituted against the CONCESSIONAIRE; or
 - (2) If a court shall take jurisdiction of CONCESSIONAIRE pursuant to proceedings brought under the provisions of any Federal Reorganization Act; or
 - (3) If receiver of CONCESSIONAIRE'S assets be appointed.
- d) AUTHORITY may terminate this Agreement and all of its obligations hereunder by giving CONCESSIONAIRE written notice upon the happening of either or both the following events:
 - (1) If CONCESSIONAIRE shall voluntarily abandon and discontinue the conduct and operation of its service on Airport Property for a continuous period of thirty (30) Days;
 - (2) If CONCESSIONAIRE shall abandon any of the Premises for a continuous period of thirty (30) Days at any one time, except when such abandonment be caused by fire, earthquake, war, strike or other calamity beyond CONCESSIONAIRE'S control.
- e) AUTHORITY may terminate this Agreement and all of its obligations hereunder by giving CONCESSIONAIRE ten (10) Days written notice upon or after failure to comply with terms and conditions of Section 26 hereof.

24.02 - No Waiver

No waiver of default by AUTHORITY of any of the terms, covenants, or conditions hereof to be performed, kept or observed by CONCESSIONAIRE shall be construed to be or act as a waiver of any subsequent default of the terms, covenants, and conditions herein contained to be performed, kept and observed by CONCESSIONAIRE. The acceptance of rental and/or compensation by AUTHORITY for any period or periods after default of any of the terms, conditions, or covenants herein contained to be performed, kept and observed by

CONCESSIONAIRE shall not be deemed a waiver of any right on the part of the AUTHORITY to cancel this Agreement for failure by CONCESSIONAIRE to perform, keep, or observe any of the terms, covenants, or conditions of this Agreement.

25. TERMINATION BY CONCESSIONAIRE IN THE EVENT OF DEFAULT

The CONCESSIONAIRE, in addition to any other rights to which it may be entitled by law or otherwise, may cancel this Agreement by giving AUTHORITY written notice in the event of default by AUTHORITY under this Agreement continuing for more than sixty (60) days after the AUTHORITY's receipt of written notice of such event of default and opportunity to cure from the CONCESSIONAIRE, upon or after the happening of any one of the following events:

- a) Issuance by any court of competent jurisdiction of a permanent injunction in any way preventing or restraining the use of the Premises or any major part thereof for Premises purposes and the remaining in full force of such permanent injunction for a period of at least one hundred eighty (180) Days.
- b) Inability of the CONCESSIONAIRE to use, for a period in excess of one hundred eighty (180) Days, the Premises or any part of the Premises because of any law, order, rule, regulation or other action or non-action of the Federal Aviation Administration or any other governmental authority, or because of fire, earthquake, other casualties or acts of God or the public enemy.
- c) AUTHORITY shall fail to perform, keep and observe any of the obligations, terms, warranties or conditions contained in this Agreement that on the part of AUTHORITY are to be performed, kept or observed:
 - 1) CONCESSIONAIRE may give AUTHORITY written notice to correct such condition or cure such default, and if any such condition or default shall continue for sixty (60) Days after receipt of such notice by AUTHORITY, CONCESSIONAIRE may terminate this Agreement and the Term hereof shall cease and expire at the end of such sixty (60) Days in the same manner and to the same effect as if it were the expiration of the Initial Term, unless such condition or default cannot reasonably be corrected within the 60-day period and AUTHORITY has demonstrated due diligence with respect to curing said default, then such cure period may be extended for consecutive periods of 30 days, as long as diligent progress is made toward cure, with a reasonably foreseeable resolution

date. Under such circumstances, default may be treated as cured until cured. Should diligent progress cease, or the reason for default become apparent as insoluble, then the Term shall cease and expire at the end of the 30-Day extension then in effect;

- d) Assumption by the United States Government or any other authorized agency thereof of the operation, control or use of the Airport and the facility herein described, or of any substantial part or parts thereof in such a manner as to substantially restrict the CONCESSIONAIRE for a period of one hundred eighty (180) days from operating on and within the facility.
- e) In the event of destruction of the facilities, Improvements, or the demised Premises as more fully described in Section 42, Damage Or Destruction.

26. WAIVER OF STATUTORY NOTICE

In the event AUTHORITY exercises its option to terminate this Agreement upon the happenings of any or all of the events set forth in Section 24, "Termination by AUTHORITY in Event of Default," any notice of termination given pursuant to the provisions of said Section 24 shall be sufficient to cancel and terminate this Agreement; and, upon such termination, CONCESSIONAIRE hereby agrees that it shall forthwith surrender possession of the demised Premises to the AUTHORITY. In this connection, CONCESSIONAIRE hereby expressly waives the receipt of any notice to quit or notice of termination which would otherwise be given by AUTHORITY under any provisions of the laws of the State of Kansas, including, but not limited to, notices required to be given under any section of the Kansas Statutes.

27. TRANSFER OF OWNERSHIP

As of the Commencement Date of this Agreement and thereafter throughout the Interim Term and the Initial Term, a transfer of ownership of a majority or more of the CONCESSIONAIRE without the prior written approval of AUTHORITY, which shall not be unreasonably withheld, shall constitute a material breach of this Agreement for which AUTHORITY may terminate the same under the provisions of Section 24 hereof. Moreover, at least ninety (90) Days prior to any contemplated ownership transfer, CONCESSIONAIRE shall submit a written request to AUTHORITY showing good and sufficient financial worth and adequate experience in the operation of food and beverage concessions on the part of the contemplated purchaser or

purchasers and evidencing the intent of such contemplated purchaser or purchasers to expressly assume in writing and agree to be bound by and fulfill all of the terms, covenants, obligations and agreements contained in this Agreement.

28. ASSIGNMENT AND SUBLETTING

This Agreement is entered into by CONCESSIONAIRE through the competitive public solicitation which includes essential and exacting specifications, and insofar as this Agreement is a service agreement that relies upon the past performance, personal integrity, trust, financial worth and unique expertise of the CONCESSIONAIRE to operate a sound Food and Beverage Concession that provides service to the public, and insofar as this Agreement provides for the AUTHORITY to extend financial accommodation for the benefit of the CONCESSIONAIRE, the CONCESSIONAIRE shall not, without the prior written consent of AUTHORITY, assign or sublet any portion of the Premises; provided that if an assignment or sublease is approved by AUTHORITY, the term of any such assignment or sublease shall not extend beyond the Term of this Agreement. In the event of any conflicts between the terms and conditions of this Agreement and those of a sublease or assignment, the terms and conditions of this Agreement shall control.

Except as specifically provided above, CONCESSIONAIRE shall not assign this Agreement or any interest therein by an operation of law, process or proceeding of any Court or otherwise, or sublet the Premises or any portion thereof and/or the operation or maintenance of the Premises without first obtaining the prior written approval of the AUTHORITY; moreover, at least ninety (90) Days prior to any contemplated assignment of this Agreement by any operation of law, process or proceeding of any Court or otherwise, CONCESSIONAIRE shall submit a written request to the AUTHORITY, and CONCESSIONAIRE shall submit evidence showing good and sufficient financial worth and adequate experience in the operation of food and beverage facilities on the part of the contemplated assignee. In any event, no assignment shall be made or shall be effective unless CONCESSIONAIRE shall not be in default on any of the terms, provisions, covenants and conditions herein contained. Further, in no event shall any assignment be effective, regardless of any submissions to the AUTHORITY, without the prior written approval of the AUTHORITY. The party to whom such assignment is made shall expressly assume in writing and agree to be bound by and fulfill all of the terms, covenants, obligations and agreements contained in this Agreement.

In the event of any approved assignment, CONCESSIONAIRE shall remain liable to AUTHORITY to pay to AUTHORITY any portion of the Concession Fees and other payments provided for herein upon failure of the assignee to pay the same when due; moreover, no subleasing shall release the CONCESSIONAIRE from its obligations to pay all Concession Fees and other amounts due hereunder or release CONCESSIONAIRE from any of the terms, covenants or conditions herein contained on the part of the CONCESSIONAIRE to be performed, kept and observed. Further, in the event of an approved assignment or subleasing, neither assignee nor its Sublessee shall assign or sublet any portion of the Premises except with the prior approval of AUTHORITY and CONCESSIONAIRE herein, and any sublease or assignment by CONCESSIONAIRE shall contain a clause to this effect.

In the event of an approved assignment, the assignee shall provide the AUTHORITY with a letter of credit or performance bond pursuant to the requirements of the Agreement. Upon receipt of such required acceptable letter of credit or performance bond by the AUTHORITY, the AUTHORITY may thereupon return the assignor's letter of credit or permit performance bond cancellation. Provided, however, in the event of default by the assignee, wherein the Agreement reverts back to the assignor, in accordance with the above referenced paragraph of this Section, then and in that event the assignor shall provide the AUTHORITY with a required, acceptable letter of credit or performance bond.

CONCESSIONAIRE will not sublease, rent or permit any persons, firms or corporations to occupy any part of the Premises, or to provide any type of commercial operation, aviation or otherwise, on the Premises without having first received the prior written consent of AUTHORITY, such consent not to be unreasonably withheld or unduly delayed and granted only under the following conditions:

- a) Any arrangements must be in the form of a written instrument and must be for purposes and uses of the Premises as authorized under this Agreement, and shall be subject to the provisions of this Agreement. CONCESSIONAIRE shall submit a copy of such proposed instrument at the time of requesting consent of AUTHORITY.
- b) All subleases must comply with this Agreement, and will be reviewed for compliance by AUTHORITY to that end. Any arrangement for the subleasing of space must be in conformance with the use of the Premises outlined in this Agreement, unless expressly approved otherwise in writing by AUTHORITY.

- c) CONCESSIONAIRE must keep current records on file and available for AUTHORITY's inspection that describe the nature and document the legitimacy of the Sublessee's business, including all current municipal, State, or local licenses or permits required for the conduct of Sublessee's business.
- d) CONCESSIONAIRE hereby agrees that it shall incorporate language acceptable to AUTHORITY into all of its sublease agreements, placing on any Sublessee and that Sublessee's affiliated entities, customers, employees, invitees, contractors, and subcontractors similar restrictions, as may be appropriate to its approved uses as those which bind CONCESSIONAIRE and its use of the Premises through this Agreement. CONCESSIONAIRE shall also incorporate and make reference to this Agreement, as may be amended from time to time, to ensure Sublessee's operations and conduct are subject to and are in compliance with the terms and conditions of this Agreement, as may be amended from time to time. Any sublease agreement shall explicitly state that it is subordinate to this Agreement, and that the Sublessee shall never obtain rights in the Premises greater than those held by CONCESSIONAIRE under this Agreement, as amended. Any Sublessee shall be specifically subject to eviction from the Premises as a result of termination, cancellation, or expiration of this Agreement, irrespective of Sublessee's state of compliance with the terms of its sublease.
- e) CONCESSIONAIRE shall at all times during the term(s) of approved sublease(s), remain responsible to AUTHORITY for the compliance of its Sublessees with the terms and conditions of any approved sublease and with this Agreement. AUTHORITY may look to CONCESSIONAIRE directly to satisfy any failure of Sublessee to comply with these documents.
- f) Consent to one sublease permit or subcontract shall not be deemed consent to any subsequent sublease permit or subcontract. Prior written consent of the AUTHORITY shall be required for each sublease permit or subcontract executed by the CONCESSIONAIRE.

29. NONDISCRIMINATION

The CONCESSIONAIRE shall comply with all the following nondiscrimination provisions to the extent that CONCESSIONAIRE'S activities shall be subject to the same:

29.01 Nondiscrimination in Employment

The CONCESSIONAIRE agrees not to discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, ancestry, age or disability. The CONCESSIONAIRE shall take affirmative action to insure that employees are treated without regard to their race, creed, color, national origin, sex, ancestry, age or disability. Such actions shall include, but not be limited to, the following: employment, promotion demotion or transfer, recruitment, advertising, lay-off or termination, and selection for training, including apprenticeship. The CONCESSIONAIRE, and any Sublessee, hereby agrees to post, in a conspicuous place, available to employees and applicants for employment, notices setting forth the provisions of this Section.

29.02 Facilities Nondiscrimination

A. CONCESSIONAIRE shall make its accommodations and/or services available to the public on fair and reasonable terms without unjust discrimination on the basis of sex, age, race, creed, ancestry, color, national origin, or disability, provided, however, nothing herein shall require the furnishing to the general public of the use of any facilities or accommodations customarily furnished by CONCESSIONAIRE solely to its employees, customers, clients, guests, and invitees; and CONCESSIONAIRE may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar type of price reductions to volume purchasers.

- (1) Noncompliance with any nondiscrimination provision imposed by law related to the accommodations and/or services provided under this Agreement, or noncompliance with any nondiscrimination within this Agreement, shall constitute a material breach of this Agreement and, in the event of such noncompliance, AUTHORITY shall have the right to terminate this Agreement and the estate hereby created without liability therefore, or at the election of AUTHORITY or the United States, either or both said Governments, shall have the right to judicially enforce said provision.
- (2) CONCESSIONAIRE agrees to insert the above in any leases, agreements, or contracts, etc. by which said CONCESSIONAIRE grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the Premises.

29.03 - Affirmative Action Program

CONCESSIONAIRE assures that it shall undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person on the grounds of race, creed, color, national origin, ancestry, age, sex, or disability, be excluded from participation in any employment activities covered by 14 CFR Part 152, Subpart E. CONCESSIONAIRE assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this Subpart. CONCESSIONAIRE assures that its covered suborganizations and subcontractors shall give assurances to CONCESSIONAIRE that they similarly shall undertake affirmative action programs and that they shall require assurances from their suborganizations and subcontractors, as required by 14 CFR Part 152, Subpart E, to the same effect.

29.04 - ACDBE Program

The requirements of 49 CFR Part 23, regulations of the U.S. Department of Transportation, apply to this concession. It is the policy of the Wichita Airport Authority to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this Agreement. These requirements apply to all concessions firms and suppliers, including those who qualify as an ACDBE. An ACDBE concession specific goal of four and half percent (4.5%) of annual gross receipts has been established for this concession. This goal is subject to FAA approval and may be modified at the direction of the FAA. The CONCESSIONAIRE shall make good faith efforts, as defined in Appendix A, 49 CFR Part 26, to meet the concession specific goal for ACDBE participation in the performance of this concession. The CONCESSIONAIRE is placed on notice that during the Term of this Agreement, FAA may require and approve new ACDBE goals for the AUTHORITY. If this occurs, new proof of compliance or good faith efforts shall be required of the CONCESSIONAIRE as a material contract term.

The CONCESSIONAIRE shall be required to submit the following information: (1) the names and addresses, and copies of certifications of ACDBE firms and suppliers that shall participate in the concession, (2) A description of the work that each ACDBE shall perform; (3) The dollar amount of the participation of each ACDBE firm participating; (4) Written and signed documentation of commitment to use a ACDBE whose participation it submits to meet a contract goal; (5) Written and signed confirmation from the ACDBE that it is participating in the concession as provided in the prime CONCESSIONAIRE's commitment; and (6) If the contract goal is not met, CONCESSIONAIRE shall provide competent, written evidence of good faith efforts, diligently undertaken.

The CONCESSIONAIRE shall be required to replace an ACDBE concessionaire that is unable to perform successfully by another ACDBE concessionaire, if the remaining Term of this Agreement makes this feasible. In the event that such action is not feasible, the CONCESSIONAIRE shall be required to make good faith efforts during the remaining Term of this Agreement to encourage ACDBEs to compete for purchases and/or leases of goods and services to be made by the CONCESSIONAIRE.

30. NON-INTERFERENCE WITH AIRPORT OPERATIONS

CONCESSIONAIRE covenants and agrees that it shall not allow any condition on the Airport, nor permit the conduct of any activity on such premises, which shall materially or adversely affect the development, improvement, operation, or maintenance of the Airport or its facilities, nor shall CONCESSIONAIRE use or permit the Airport to be used in any manner which might interfere with the landing and take-off of aircraft from the Airport or otherwise constitute a hazard to the general public, or to AUTHORITY's tenants or the customers, agents, invitees, contractors, representatives and employees of those tenants.

CONCESSIONAIRE covenants and agrees that it shall not allow any condition on the Airport, nor permit the conduct of any activity on such Airport, which shall materially or adversely affect, infringe upon, block or interrupt the operations or business activity of other airport tenant leaseholds.

31. COOPERATION WITH AIRPORT DEVELOPMENT

CONCESSIONAIRE understands and agrees that AUTHORITY may pursue Airport development, Improvements and maintenance activities from time-to-time that may affect the Premises and other areas of the Airport. CONCESSIONAIRE agrees to work cooperatively and in good faith with the AUTHORITY and other tenants and contractors in development, improvement and maintenance activities to minimize any disruptions. If requested by the AUTHORITY, CONCESSIONAIRE shall cooperate with and assist the AUTHORITY to the greatest extent possible in the development and implementation of any plans, designs, ingress/egress, or transition that may arise in connection with such Airport development, improvement, and maintenance activities. AUTHORITY may temporarily or permanently close, re-route, or consent to the closing or re-routing of any method of ingress or egress on the Airport, so long as the means of ingress and egress are reasonably equivalent to current access available to CONCESSIONAIRE. AUTHORITY may temporarily close the runway, taxiways, ramps or

portions thereof for purposes of maintenance, replacement, re-construction or expansion. Provided that exercise by AUTHORITY of any such Airport development, improvement, or maintenance shall be without expense to the CONCESSIONAIRE and shall not unreasonably or materially interfere with CONCESSIONAIRE's use of the Premises, and shall not delay CONCESSIONAIRE in the exercise of its rights or the performance of its duties hereunder or increase the costs of such performance.

32. TITLE TO FACILITIES, IMPROVEMENTS AND FIXTURES

Unless otherwise permitted under Section 19, title/ownership to the Premises, and to all existing structures, fixtures, facilities and Improvements, or future structures, fixtures, facilities and Improvements constructed and permanently affixed to the Premises shall be, and shall remain, exclusively with AUTHORITY. Such structures, fixtures, facilities and Improvements shall include, but may not be limited to permanently affixed shelves, cabinets, counters, light fixtures, conduit, wiring and cabling, pipes and plumbing fixtures, and all other property of every kind and nature which is permanently affixed.

CONCESSIONAIRE shall, without cost to AUTHORITY, furnish and install all non-affixed furniture, movable partitions, decorations, accessories, equipment and tools, and all other Personal Property on the Premises necessary to conduct its business, which shall retain its status as Personal Property even though temporarily placed within or upon the Premises. Title/ownership to non-affixed Personal Property shall remain with CONCESSIONAIRE.

33. LIENS

CONCESSIONAIRE shall take or cause to be taken all steps that are required or permitted by law in order to avoid the imposition of any lien upon the Premises or any Improvements thereon. Should any lien be placed on the Premises or any Improvements thereon, CONCESSIONAIRE shall cause to be removed any and all liens of any nature. This obligation includes, but is not limited to, tax liens and liens arising out of or because of any financing, construction or installation performed by or on behalf of CONCESSIONAIRE or any of its contractors or subcontractors upon CONCESSIONAIRE's Premises or arising out of or because of the performance of any work or labor to it at said Premises or the furnishing of any materials to it for use at said Premises. Should any such lien be made or filed, CONCESSIONAIRE shall bond against or discharge the same within thirty (30) days after actual notice of the same from any source, whether from AUTHORITY or otherwise, and provide written proof of discharge or

bonding to AUTHORITY within that time. CONCESSIONAIRE acknowledges that its interest in the Premises is a leasehold, and that notwithstanding its construction of Tenant Improvements on the Premises, such Tenant Improvements accrue to the AUTHORITY and that it has no equity interest in the Premises which can support a mortgage lien. CONCESSIONAIRE shall not mortgage or pledge as collateral its leasehold interest herein without the prior written consent of the AUTHORITY. CONCESSIONAIRE acknowledges that all Improvements to the Premises are for its benefits solely, and are not made at the request of the AUTHORITY or for the benefit of the AUTHORITY, irregardless of AUTHORITY's approval of such Improvements.

AUTHORITY may consent, upon CONCESSIONAIRE's written request, to an assignment of rents to a governmentally regulated and insured commercial lender as partial security for financing of CONCESSIONAIRE's activities on the Premises, which assignment is intended to be a present transfer to such lender of all of CONCESSIONAIRE's rights to collect and receive rents and charges from approved users, operators, sub-concessionaires and permittees. Lender(s) shall have no rights to assign this Agreement or sublease the Premises without the prior written consent of the AUTHORITY as required under Section 28, Assignment And Subletting. Upon CONCESSIONAIRE's written consent, AUTHORITY agrees to give lender(s) notice of any default or cancellation of the Agreement, and allow lender(s) the same opportunity as the CONCESSIONAIRE under the Agreement to correct any condition or cure any default. Nothing in this Section is intended to relieve the CONCESSIONAIRE of its obligations under this Agreement.

34. RULES AND REGULATIONS

CONCESSIONAIRE, its agents and employees, shall be subject to any and all applicable rules, regulations, Airport Standard Operating Procedures, orders and restrictions which are now in force or which may hereafter be adopted by the AUTHORITY or the City, in respect to the operation of the Airport; and shall also be subject to any and all applicable laws, statutes, rules, regulations, or orders of any governmental authority, federal or State, which are now in force or which may hereafter be promulgated, lawfully exercising authority over the Airport or CONCESSIONAIRE 's operations conducted hereunder.

AUTHORITY shall not be liable to CONCESSIONAIRE for any diminution or deprivation of its rights hereunder on account of the exercise of any such authority as in this Section provided, nor shall CONCESSIONAIRE be entitled to terminate this Agreement by reason thereof unless exercise of such authority shall so interfere with CONCESSIONAIRE 's exercise of the rights hereunder as to constitute a termination of this Agreement by operation of law in accordance

with the laws of the State of Kansas, or as set out in Section 25, Termination By CONCESSIONAIRE In The Event Of Default.

AUTHORITY shall whenever possible make reasonable efforts to obtain uniform compliance with its rules and regulations; provided, however, AUTHORITY shall not be liable to CONCESSIONAIRE for any violation or non-observance of such rules and regulations by any other tenant, operator or concessionaire at the Airport.

35. ENCROACHERS, TRESSPASSERS AND OTHER THIRD PARTY HAZARDS

CONCESSIONAIRE shall lawfully remove, or cause to be removed by AUTHORITY or other official law enforcement agency, all encroachers, trespassers and other third parties violating laws of the federal, State or local government, or who are not on the Premises for legitimate purposes.

36. SECURITY SYSTEMS

AUTHORITY may at its sole discretion, install, operate and maintain a security monitoring system in non-exclusive use areas of the interior and exterior facilities. AUTHORITY may at its sole discretion install, operate and maintain a computer controlled access system at certain Exclusive Use or non-Exclusive Use door access points. The purpose of said security systems is for the provision of safety and security to the general public, Airport employees, tenants and permittees and their employees and invitees, primarily within non-exclusive common use areas. The AUTHORITY shall install, operate and maintain security systems in the interior and exterior of the Terminal. The purpose of these security systems is for the provision of safety and security to the general public, airport employees, tenants, their employees and invitees. CONCESSIONAIRE may not rely on the surveillance cameras and access control systems owned and operated by the AUTHORITY for purposes of risk management or private security from property loss or theft.

CONCESSIONAIRE may, at its sole option, install, operate and maintain private security systems on the Premises, however, any such private security systems installed and operated by the CONCESSIONAIRE shall not block, hinder, interfere, over-ride or obstruct any security system of the AUTHORITY.

37. SECURITY

CONCESSIONAIRE shall comply with all applicable regulations relating to Airport security. AUTHORITY shall be held harmless for any and all breaches of the Federal Aviation Administration or Transportation Security Administration's policies and regulations and AUTHORITY's security rules or regulations caused by the CONCESSIONAIRE, its agents or employees, or that occur on the CONCESSIONAIRE'S Premises except to the extent caused by AUTHORITY. In the event the Federal Aviation Administration or the Transportation Security Administration imposes a fine or penalty for any such security violation, whether such fine or penalty is assessed to the AUTHORITY or the CONCESSIONAIRE or their agents or employees, the penalty shall be paid by the CONCESSIONAIRE, provided, however, that nothing herein shall prevent CONCESSIONAIRE from contesting the legality, validity or application of such fine or penalty to the full extent CONCESSIONAIRE may be lawfully entitled so to do.

38. AIRPORT SECURITY PROGRAM COMPLIANCE

CONCESSIONAIRE must obtain Airport Security Identification and Access Media (I.D. Media) for its employees, subcontractors, Sublessees, suppliers, agents, and representatives requiring access to the sterile areas, secured Air Operations Area (AOA), and Security Identification Display Area (SIDA), or other secured areas as may be identified in the Airport Security Program, and pay any related costs associated with the privileges as set forth under this Section. With respect to the issuance, maintenance, and administration of I.D. Media, the CONCESSIONAIRE shall pay or cause to be paid to the AUTHORITY all charges as may be established from time to time by the AUTHORITY. Such costs may include, but are not limited to: (i) the initial issuance of I.D. Media; (ii) the replacement of lost or stolen I.D. Media; (iii) administrative costs with respect to those I.D. Media not returned to the AUTHORITY.

Said I.D. Media will be valid as set forth under the Airport Security Program, and must be returned to the Airport Police and Fire Division, at 2193 Air Cargo Road within twenty-four (24) hours after expiration, suspension, and/or termination of this Agreement. Said I.D. Media will be valid for no longer than the period of this Agreement. The CONCESSIONAIRE shall be responsible for requesting the issuance of I.D. Media to employees or other authorized representatives of the CONCESSIONAIRE who require access to secured areas on the Airport due to operational need and necessity. In addition, CONCESSIONAIRE shall be responsible for the immediate reporting of all lost or stolen I.D. Media and the immediate return of the I.D.

Media of CONCESSIONAIRE's personnel transferred from the Airport, or separated from the employ of CONCESSIONAIRE.

CONCESSIONAIRE warrants that it will at all times maintain the integrity of the Airport Security Program and comply with all applicable regulations of the Federal Aviation Administration ("FAA") and Transportation Security Administration ("TSA"), 49 CFR Parts 1500, 1542, 1544, 1546, 1548, and 1550 as amended or promulgated, and that it will always maintain the security of the Airport, Premises, and/or any AOA access for which CONCESSIONAIRE is responsible. The AUTHORITY shall have the right to require the CONCESSIONAIRE to conduct background investigations and to furnish certain data on such employees or other persons before the issuance of I.D. Media, which data may include the fingerprinting of any and all of its employees, subcontractors, suppliers, agents, and/or representatives. CONCESSIONAIRE also hereby agrees that it shall be responsible for any and all of the actions on the Premises of its employees, subcontractors, suppliers, agents, customers, invitees, and/or representatives and shall provide any and all necessary escorts, as outlined in the Airport Security Program. CONCESSIONAIRE hereby agrees that it will immediately implement any and all security changes that are directed either directly or indirectly by the TSA, FAA, or AUTHORITY. CONCESSIONAIRE further agrees to correct any security deficiency or other deficiency as may be determined as such by the AUTHORITY, the Department of Transportation ("DOT"), the FAA, or the TSA, or any other federal or state agency with jurisdiction. In the event CONCESSIONAIRE fails to remedy any such deficiency, the AUTHORITY may do so at the sole cost and expense of CONCESSIONAIRE. The AUTHORITY reserves the right to take whatever action is necessary to correct and remedy any security deficiency or other deficiency. When the AUTHORITY takes actions to remedy deficiencies of any kind, it shall be done in a reasonable and cost-conscious manner.

Should CONCESSIONAIRE, its employees, subcontractors, suppliers, agents, customers, invitees, and/or representatives cause any security violations, and should AUTHORITY be cited for a civil fine or penalty for such security violation, CONCESSIONAIRE agrees to reimburse AUTHORITY for any monetary civil fine or penalty which may be imposed on AUTHORITY. However, nothing herein shall prevent the CONCESSIONAIRE from contesting the legality, validity or application of such fine or penalty to the full extent CONCESSIONAIRE may be lawfully entitled, nor require AUTHORITY to pursue such a contest on CONCESSIONAIRE'S behalf. CONCESSIONAIRE may have I.D. Media/access privileges immediately suspended and/or revoked by AUTHORITY for failure to adhere to the Airport Security Program, or for failure to return all I.D. Media within the time-frames specified herein.

The CONCESSIONAIRE agrees that information concerning the location, type, nature, capabilities, application and use of the AUTHORITY's security system is considered Sensitive

Security Information (SSI) as defined by TSR 1520, and shall restrict the distribution, disclosure and availability of SSI only to persons with a need to know. All requests for SSI by persons not directly employed by the CONCESSIONAIRE, and deemed to have a need to know shall be referred to AUTHORITY for consideration and determination of whether such information is legal and appropriate for dissemination.

Before the CONCESSIONAIRE shall permit any employee, subcontractor, Sublessees, supplier, agents, customer, invitee, and/or representative to operate a motor vehicle of any kind or type on the AOA of Mid-Continent Airport (unless such employee is escorted by a AUTHORITY-approved escort), the CONCESSIONAIRE shall ensure that all such vehicle operators have completed required AOA access and driver training, possess a current, valid, and appropriate Kansas driver's license, appropriate Airport issued I.D. Media, and a Vehicle Ramp Permit. CONCESSIONAIRE company vehicles prominently displaying a permanently affixed company name and/or logo on vehicles and equipment are excluded from the requirement of displaying a Vehicle Ramp Permit.

The CONCESSIONAIRE agrees that its vehicles, cargo, product deliveries, and other personal property are subject to being inspected and searched when entering, exiting and while on the AOA.

39. GENERAL PROVISIONS

39.01 - Facility Development

AUTHORITY reserves the right to further develop or improve the landing area or any other area, building or other Improvement within the present or future boundaries of the Airport as it sees fit in its sole judgment regardless of the desires or view of CONCESSIONAIRE and without interference or hindrance by CONCESSIONAIRE. Further, AUTHORITY retains the absolute right to maintain, repair, develop and expand or replace utilities, ramps, taxiways, runways, streets, roadways, sidewalks, any other Airport facility, Airport Improvement or on Airport Property free from any and all liability to CONCESSIONAIRE for loss of business or damage of any nature whatsoever as may be occasioned during or because of the performance of such maintenance, repair, development, expansion or replacement.

39.02 - Maintenance, Repair, Direction and Control

AUTHORITY reserves the right, but is not obligated to exercise the right, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of CONCESSIONAIRE in this regard. These areas shall include, but are not limited to, those areas which are necessary to serve the

aeronautical users of the Airport, except that AUTHORITY shall not be obligated to maintain and keep in repair such areas of the Airport as may be leased to or under the control of Airport tenants, whether such area serves aeronautical users or otherwise.

39.03 - Operation of Airport by the United States of America

This Agreement and all the provisions hereof shall be subject to whatever right the United States of America now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said Airport or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency.

39.04 - 14 CFR Part 77 of Federal Aviation Regulations

CONCESSIONAIRE agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building, structure, or attachment thereto is planned for the Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Airport. CONCESSIONAIRE by accepting this Agreement expressly agrees for itself, its successors and assigns that it shall not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the Airport which shall exceed such maximum height as may be stipulated by AUTHORITY. Applicable laws, codes, regulations or agreements concerning height restrictions shall govern the maximum height to be stipulated by AUTHORITY. In the event the aforesaid covenants are breached, AUTHORITY reserves the right to enter upon the Premises and to remove the offending structure or object, and cut down the offending tree, all of which shall be at the expense of CONCESSIONAIRE and without liability to AUTHORITY.

39.05 - Airspace

There is hereby reserved to AUTHORITY, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight shall include the right to cause or allow in said airspace, any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation on the Airport. No liability on the part of AUTHORITY shall result from the exercise of this right.

39.06 - Easement for Flight

CONCESSIONAIRE releases AUTHORITY from any present or future liability whatsoever and covenants not to sue AUTHORITY for damages or any other relief based directly or indirectly upon noise, light, vibrations, smoke, fumes, odors, air currents, electronic or other emissions occurring as a result of aviation or Airport related operations at or otherwise associated with the Airport. This release and covenant includes but is not limited to claims for damages for physical or emotional injuries, discomfort, inconvenience, property damage, death, interference with use

and enjoyment of property, nuisance, or inverse condemnation or for injunctive or other extraordinary or equitable relief. It is further agreed that AUTHORITY shall have no duty to avoid or mitigate such damages by, without limitation, setting aside or condemning buffer lands, rerouting air traffic, erecting sound or other barriers, establishing curfews, noise or other regulations, relocating Airport facilities or operations or taking other measures, except to the extent, if any, that such actions are validly required by government authority. AUTHORITY reserves these rights from the Premises an easement for flight of aircraft in or adjacent to the airspace above the Premises and for the existence and imposition over, on and upon said Premises of noise, light, vibrations, smoke, fumes, odors, air currents, electronic or other emissions, discomfort, inconvenience, interference with use and enjoyment, and any consequent reduction in market value which may occur directly or indirectly as a result of aviation, Airport or Airport-related operations at or otherwise associated with use of the Airport. CONCESSIONAIRE accepts the Premises subject to the risks and activities hereinabove described.

39.07 - Airport Hazards

CONCESSIONAIRE by accepting this Agreement agrees for itself, its successors and assignees, that it shall not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. If during the Term of this Agreement the condition is breached, AUTHORITY reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of CONCESSIONAIRE without liability to AUTHORITY of any kind.

39.08 - Airport Rules and Regulations, Policies, and Standard Operating Procedures

AUTHORITY shall have the right to adopt, amend and enforce reasonable Airport rules and regulations, policies and standard operating procedures with respect to use of and the conduct and operation of the Airport, its buildings and facilities or any Improvements within the present or future boundaries of the Airport, which CONCESSIONAIRE agrees to observe and obey.

39.09 - Federal Aviation Administration Requirements

AUTHORITY and CONCESSIONAIRE agree that the requirements of the Federal Aviation Administration ("FAA") set out below are approved by both parties, and if applicable, CONCESSIONAIRE agrees to comply with all FAA requirements with respect to its operations, use of the Airport and this Agreement:

(a) The CONCESSIONAIRE, for itself and its representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained or otherwise operated on said property described in this Agreement for a purpose for which a Department of

Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the CONCESSIONAIRE shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(b) The CONCESSIONAIRE, for itself and its representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any Improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the CONCESSIONAIRE shall use the Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(c) The CONCESSIONAIRE assures that it shall undertake an affirmative action program if required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The CONCESSIONAIRE assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The CONCESSIONAIRE assures that it shall require that its covered suborganizations provide assurances to the CONCESSIONAIRE that they similarly shall undertake affirmative action programs, and that they shall require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

(d) Nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958.

(e) CONCESSIONAIRE agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, that CONCESSIONAIRE may make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

(f) AUTHORITY reserves the right (but shall not be obligated to CONCESSIONAIRE) to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of CONCESSIONAIRE in this regard.

(g) AUTHORITY reserves the right further to develop or improve the landing area and all publicly-owned air navigation facilities of the Airport as it sees fit, regardless of the desires or views of CONCESSIONAIRE, and without interference or hindrance.

(h) AUTHORITY reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent CONCESSIONAIRE from erecting, or permitting to be erected, any building or other structure on the Airport which, in the opinion of AUTHORITY, would limit the usefulness of the Airport or constitute a hazard to aircraft.

(i) During time of war or national emergency AUTHORITY shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the landing area, the publicly-owned air navigation facilities and/or other areas or facilities of the Airport. If any such agreement is executed, the provisions of this instrument, insofar as they are inconsistent with the provisions of the agreement with the Government, shall be suspended.

(j) Rights granted by this Agreement shall not be exercised in such a way as to interfere with or adversely affect the use, operation, maintenance or development of the Airport.

(k) There is hereby reserved to AUTHORITY, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the air space above the surface of the Premises herein conveyed, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from or operating on or about the Airport.

(l) This Agreement shall become subordinate to provisions of any existing or future agreement between the AUTHORITY and the United States of America or any agency thereof relative to the operation, development or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

39.10 - Subordination to Agreements with the U.S. Government

This Agreement is subject and subordinate to the provisions of any agreements heretofore or hereafter made between AUTHORITY and the United States Government relative to the operation or maintenance of Airport, the execution of which has been required as a condition precedent to the transfer of federal rights or property to AUTHORITY for Airport purposes, or the expenditure of federal funds for the improvement or development of Airport, including the expenditure of federal funds for the development of Airport in accordance with the provisions of the Federal Aviation Act of 1958, as it has been amended from time to time. AUTHORITY covenants that it has no existing agreements with the United States Government in conflict with the express provisions hereof.

39.11 - Non-Waiver of Rights

No waiver or default by either party of any of the terms, warranties, covenants and conditions hereof to be performed, kept and observed by the other party shall be construed as, or shall operate as, a waiver of any subsequent default of any of the terms, warranties, covenants or conditions herein contained, to be performed, kept and observed by the other party.

39.12 - Captions

The captions/headings of the Sections of this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provisions of this Agreement, and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

39.13 - Severability and Invalid Provisions

In the event any term, covenant, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such term, covenant, condition or provision shall in no way affect any other term, covenant, condition or provision herein contained; provided, however, that the invalidity of any such term, covenant, condition or provision does not materially prejudice either the AUTHORITY or the CONCESSIONAIRE in their respective rights and obligations contained in the valid terms, covenants, conditions or provisions in this Agreement.

39.14 - Waiver of Claims

CONCESSIONAIRE hereby waives any claim against AUTHORITY and its officers or employees for loss of anticipated profits, consequential or incidental damages, or claim for attorney fees caused by or resulting any suit or proceedings directly or indirectly attacking the validity of Agreement or any part thereof, or the manner in which it is executed or performed, or by any judgment or award in any legal proceeding declaring this Agreement null, void or voidable, or delaying the same of any part thereof, from being carried out. This waiver extends to all claims, whether the supporting legal theory lies in common law or has a statutory basis.

39.15 - Incorporation of Exhibits

All exhibits referred to in this Agreement are intended to be and are hereby specifically made a part of this Agreement.

39.16 - Incorporation of Required Provisions

The parties incorporate in this Agreement by this reference all provisions lawfully required to be contained herein by any governmental body or agency.

39.17 - Non-Liability of Agents and Employees

No member, officer, agent or employee of either party to this Agreement shall be charged personally, or held contractually liable by or to the other party under the terms or provisions of this Agreement, or because of any breach thereof or because of its or their execution or attempted execution.

39.18 - Successors and Assigns Bound

This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto where permitted by this Agreement.

39.19 - Time of Essence

Time is of the essence in this Agreement.

39.20 - Relationship of the Parties

It is understood CONCESSIONAIRE is not in any way or for any purpose a partner or joint venturer with or an agent of AUTHORITY. CONCESSIONAIRE shall act as an independent contractor in the performance of its duties pursuant to this Agreement.

39.21 - Interpretation

AUTHORITY and CONCESSIONAIRE hereby agree that this Agreement shall not be construed or interpreted in favor of either party on the basis of preparation.

39.22 - Kansas Laws to Govern

This Agreement and the terms and conditions herein contained shall at all times be governed, interpreted and construed under and in accordance with the laws of the State of Kansas, and the venue for resolution of any issue pertaining to this Agreement shall be in Sedgwick County, Kansas.

39.23 - Force Majeure

Neither the AUTHORITY nor the CONCESSIONAIRE shall be deemed in violation of this Agreement if it is prevented from performing any of the obligations hereunder by reason of strikes, boycotts, labor disputes, embargoes, shortages of material, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, riots, rebellion, sabotage, acts of terrorism or the results therefrom, or any other circumstances for which it is not responsible or which is not within its control.

40. THIRD PARTY RIGHTS

It is agreed between the parties that it is not intended by any of the provisions of this Agreement to create for the public or any member thereof the status of a third-party beneficiary, or to authorize anyone not a party to this Agreement to maintain a suit for damages pursuant to the terms or provisions of this Agreement.

41. QUIET ENJOYMENT

AUTHORITY agrees that, on payment of the rentals and fees and performance of the terms, covenants, conditions and agreements on the part of CONCESSIONAIRE to be performed in this Agreement, CONCESSIONAIRE shall have the right to peaceably occupy and enjoy the Premises, subject however, to the GENERAL PROVISIONS contained in Section 39.

42. DAMAGE OR DESTRUCTION

In the event that facilities or Improvements on the Premises are damaged or destroyed in whole or in part by any peril or casualty during the Term of this Agreement, this Agreement shall remain in full force and effect and CONCESSIONAIRE shall proceed with due diligence to repair, restore, rebuild or replace said damaged or destroyed property or parts thereof to as good a condition as all affected properties were in immediately prior to such damage or destruction, subject to such alterations as CONCESSIONAIRE may elect to make and are permitted in this Agreement. All proceeds from the insurance policies related to such damage or destruction shall be applied to cover the cost of such repairs or restoration. Provided the damage or destruction was not caused in whole or in part by CONCESSIONAIRE'S actions or inactions, from the date of such casualty until such area is so repaired (including if such area is not repaired), the MAG otherwise due hereunder shall abate in amounts proportional to the loss of available Concessions Facilities Space; provided, however, that if an area shall be so slightly injured in any such casualty as not to be rendered unfit for normal usage, the MAG related thereto shall not cease or be abated during any repair period.

In the event the Improvements are damaged or destroyed in whole or in part by any peril or casualty not resulting in whole or in part from the actions of the CONCESSIONAIRE during the Term of this Agreement, and such damage, destruction or loss exceeds fifty five percent (55%) of the value of the property as it existed prior to the casualty loss, CONCESSIONAIRE shall have the election, indicated by written notice given to AUTHORITY within 180 days after the

occurrence of such event, not to repair, restore, rebuild or replace the Improvements. Upon such election by CONCESSIONAIRE, this Agreement shall be terminated effective as of the date such notice is given by CONCESSIONAIRE, and neither party shall have any further rights or obligations pursuant to this Agreement other than CONCESSIONAIRE'S obligation to satisfy damages arising from any negligent or intentional action of itself, its employees, agents or invitees to the extent not covered by insurance proceeds. All of the insurance proceeds shall be paid to CONCESSIONAIRE and AUTHORITY as their interests may appear. Where allowed by the insurance policy, insurance proceeds shall first be applied to removal of damaged Improvements from the Premises before such distribution.

43. CONDEMNATION

If, during the Term, title to, or the temporary use of, all or any part of the Premises shall be condemned by any authority exercising the power of eminent domain, CONCESSIONAIRE shall, within fifteen (15) days after the date of entry of a final order in any eminent domain proceedings granting condemnation, notify AUTHORITY in writing as to the nature and extent of such condemnation and whether it is practicable for CONCESSIONAIRE to acquire or construct substitute Improvements.

If CONCESSIONAIRE shall determine that such substitution is practicable and desirable and AUTHORITY shall agree thereto, CONCESSIONAIRE shall forthwith proceed with and complete with reasonable dispatch the acquisition or construction of such substitute Improvements. In such case, any net proceeds received from any award or awards with respect to the Premises or any part thereof made in such condemnation or eminent domain proceeds shall be used and applied for the purpose of paying the cost of such substitution. Any proceeds not required for such costs shall be distributed to the parties in pro-rata distributions as their interests may appear based upon the Term of this Agreement remaining and the fair market value of each party's interest at the time the proceeds are received.

If CONCESSIONAIRE shall determine that it is not practicable and desirable to acquire or construct substitute Improvements, any net proceeds shall be distributed to the parties in pro-rata distributions as their interests may appear based upon the Term of this Agreement remaining, and the fair market value of each party's interest at the time the proceeds are received.

AUTHORITY shall cooperate fully with CONCESSIONAIRE in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Premises or any part thereof. In no event shall CONCESSIONAIRE or AUTHORITY voluntarily settle or consent to

the settlement of any prospective or pending condemnation proceedings with respect to the Premises without the mutual agreement and written consent of the other party to this Agreement.

44. IMPOSITIONS

CONCESSIONAIRE shall, during the life of this Agreement, bear, pay and discharge, before the delinquency thereof, any and all impositions, including all lawful taxes and assessments imposed on the Premises and Personal Property thereon, or CONCESSIONAIRE's possessory right therein. In the event any impositions may be lawfully paid in installments, CONCESSIONAIRE shall be required to pay only such installments thereof as become due and payable during the life of this Agreement as and when the same become due and payable. AUTHORITY covenants that without CONCESSIONAIRE's written consent it shall not, unless required by law, take any action intended to cause or induce the levying or assessment of any imposition (other than special assessments levied on account of special benefits or other impositions for benefits or services uniformly imposed) which CONCESSIONAIRE would be required to pay under this Section and that should any such levy or assessment be threatened or occur AUTHORITY shall, at CONCESSIONAIRE's request, fully cooperate with CONCESSIONAIRE in all reasonable ways to prevent any such levy or assessment. Nothing herein contained shall prevent CONCESSIONAIRE from contesting the legality, validity, or application of any such tax or assessment to the full extent CONCESSIONAIRE may be lawfully entitled to do so.

45. MODIFICATIONS FOR GRANTING FAA FUNDS

In the event that the AUTHORITY determines the Federal Aviation Administration requirements call for modifications or changes to this Agreement as a condition precedent to granting of funds for the improvement of the Airport, these modifications or changes shall supersede this Agreement and CONCESSIONAIRE agrees to consent to such amendments, modifications, revisions, supplements or deletions of any of the terms, conditions or requirements of this Agreement as may be reasonably required by the AUTHORITY to fully comply with federal grant assurances and directives and to obtain Federal Aviation Administration grants-in-aid, provided that no such changes shall materially alter the rights or obligations of CONCESSIONAIRE hereunder.

46. INCORPORATION OF PROPOSAL DOCUMENTS

To the extent that the terms and provisions of the Request for Proposals (“RFP”) to operate a Food and Beverage Concession at the Terminal and of the CONCESSIONAIRE’S Proposal thereof are not in conflict with the provisions of this Agreement, such terms and provisions are made a part hereof as Exhibit F attached hereto by reference, and shall be fully binding on both parties as if fully set out herein. In the event of any conflict between the provisions of this Agreement and those of the RFP and/or CONCESSIONAIRE’S Proposal, said provisions shall be given effect in the following order: (1) this Agreement; (2) the RFP; and (3) the CONCESSIONAIRE’S Proposal in response to the RFP.

47. NOTICES, CONSENTS, AND APPROVALS

Notices or other communications to AUTHORITY pursuant to the provisions hereof shall be sufficient if sent by email delivering coupled with either (i) registered or certified mail, postage prepaid, (ii) by a nationally recognized overnight courier, or (iii) facsimile transmission, addressed to:

Wichita Airport Authority
2173 Air Cargo Road
Wichita, Kansas 67209;

Fax: (316) 946-4793

and bills, statements, and notices or communications to CONCESSIONAIRE shall be sufficient and irrefutably deemed received if sent by U.S. Postal Service regular mail, postage prepaid, whether or not actually accepted, or if hand-delivered, to:

MSE Branded Foods
225 A Forrest Avenue
Gainesville, GA 30501

Phone (770) 532-3301
Fax (770) 287-0321

and bills and statements to CONCESSIONAIRE shall be sufficient if sent via email to:

memanus@msebranded.com

or to such respective addresses as the parties may designate in writing from time to time.

48. INTENTION OF PARTIES

This Agreement is intended solely for the benefit of AUTHORITY and CONCESSIONAIRE and is not intended to benefit, either directly or indirectly, any third party or member(s) of the public at large. Any work done or inspection of the Premises performed by AUTHORITY is solely for the benefit of AUTHORITY and CONCESSIONAIRE.

Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationship, between the parties hereto. Further, non-parties to this Agreement shall not maintain a suit for personal injuries or property damage pursuant to the terms or provisions of the Agreement. The parties shall understand and agree that neither the method of payment, nor any other provision contained herein, nor any act(s) of the parties hereto creates a relationship other than the relationship of the AUTHORITY and the CONCESSIONAIRE.

49. ENTIRE AGREEMENT

This Agreement supersedes and cancels all previous agreements for the Premises generally described under Section 2, between AUTHORITY and CONCESSIONAIRE or any other party, and all amendments, supplemental agreements, or renewals thereto. The parties understand and agree that this instrument contains the entire Agreement between them. The parties hereto further understand and agree that the other party and its agents have made no representations or promises with respect to the Agreement or the making or entry into this Agreement, except as expressed in this Agreement, and that no claim or liability or cause for termination shall be asserted by either party against the other and such party shall not be liable by reason of the making of any representations or promises not expressly stated in this Agreement, any other written or oral agreement with the other being expressly waived.

The individuals executing this Agreement personally warrant that they have full authority to execute this Agreement on behalf of the entity for which they are acting herein.

The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto, and have sought and received whatever competent advice and counsel deemed necessary for them to form a full and complete understanding of all rights and obligations herein.

50. MODIFICATION

This Agreement shall not be modified or amended unless in writing with formality equal to this Agreement, executed by the CONCESSIONAIRE and AUTHORITY on a date subsequent to the execution of this Agreement.

51. APPROVAL, CONSENT, DIRECTION OR DESIGNATION BY AUTHORITY

Wherever under this Agreement, approvals, consents, directions, or designations are required or permitted, such approvals, consents, directions, or designations required or permitted under this Agreement by AUTHORITY, the same shall be performed by the Director, or his/her authorized representative. Approvals, consents, directions, or designations made at any time by the Director, and from time to time, may be withdrawn or modified by notice from AUTHORITY to CONCESSIONAIRE.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

ATTEST:

THE WICHITA AIRPORT AUTHORITY
WICHITA, KANSAS

By _____
Karen Sublett, City Clerk

By _____
Carl Brewer, President
"AUTHORITY"

By _____
Victor D. White, Director of Airports

ATTEST:

MSE BRANDED FOOD OF WICHITA, LLC

By _____

By _____
Jack Hough, President
"CONCESSIONAIRE"

APPROVED AS TO FORM: _____ Date: _____
Director of Law

Wichita, Kansas
June 30, 2014
10:00 a.m., Monday
Conference Room, 12th Floor

MINUTES - BOARD OF BIDS AND CONTRACTS*

The Board of Bids and Contracts met with Marty Strayer, Administrative Assistant, Public Works Engineering in the Chair; Fanny Chan, Senior Accountant, Finance, representing the Director of Finance, Elizabeth Goltry-Wadle, Senior Budget Analyst, Budget Office, Clarence Rose, Senior Buyer, representing Purchasing, Zack Daniel, Management Fellow, representing the City Manager's Office, and Janis Edwards, Deputy City Clerk, present.

Minutes of the regular meeting dated June 23, 2014, were read and on motion approved.

Bids were opened June 27, 2014, pursuant to advertisements published on:

2014 Sanitary Sewer Rehabilitation Phase C (CIPP) (north of 31st Street S, east of West Street) (468-84940/620707/664012) Traffic to be maintained during construction using flag persons and barricades. (District I, IV)

Insituform Technologies USA LLC - \$299,398.08

Douglas Avenue Bus Facility Improvements (Market St. to Washington Ave.) (472-85080/716138/716139/716140/716141/) Traffic to be maintained during construction using flag persons and barricades. (District I, III)

Cornejo and Sons LLC - \$799,924.00

2014 Sanitary Sewer Reconstruction Phase 6 (north of Harry, east of Hoover) (468-84966/620708/664013) Traffic to be maintained during construction using flag persons and barricades. (District I, IV, VI)

Wichita Excavation Inc. - \$181,675.00

Morris/Spring Hollow Drive (south of Kellogg, west of 143rd Street East) 472-85132 (766306)

Bids Rejected

Tara Falls from the south lot line of Lot 3, Block 2, Casa Bella Addition to the north plat line of Casa Bella Addition and Tara Falls Court from the west line of Tara Falls to and including the cul-de-sac to serve Casa Bella Addition (north of Pawnee, west of 127th Street East) (472-84338/766308/ 490326) Does not affect existing traffic. (District II)

Conspec Inc dba Kansas Paving - \$118,615.50

Purchasing Manager recommended that the contracts be awarded/rejected as outlined above, subject to check, same being the lowest and best bids within the Engineer's construction estimate.

On motion the Board recommended that the contracts be awarded/rejected as outlined above, subject to check, same being the lowest and best bids within the Engineer's construction estimate.

PUBLIC WORKS AND UTILITIES DEPARTMENT/FLEET AND FACILITIES DIVISION: 70 PTO HP Rubber Tired Tractor.

Prairieland Partners Inc. - \$41,932.67 Base Bid
\$29,410.00 Option 1

PUBLIC WORKS AND UTILITIES DEPARTMENT/MAINTENANCE DIVISION: Salt and Sand Mixture and Sand Only.

Defer one week

PUBLIC WORKS AND UTILITIES DEPARTMENT/MAINTENANCE DIVISION: Rock salt for Snow and Ice Control.

Hutchinson Salt Company* - \$236,340.00 Line 1 Primary Contractor
Central Salt LLC* - \$300,000.00 Line 1 Secondary Contractor
Central Salt LLC* - \$216,000.00 Line 2 Primary Contractor
*Estimate – Contract approved on unit cost basis; refer to attachments.

WICHITA TRANSIT DEPARTMENT: Janitorial Service-Transit Center/Bus Interior.

Defer one week

The Purchasing Division recommended that the contracts be awarded/deferred as outlined above, same being the lowest and best bid.

On motion the Board recommended that the contracts be awarded/deferred as outlined above, same being the lowest and best bid.

On motion the Board of Bids adjourned.

Marty Strayer, Administrative Assistant
Department of Public Works

Janis Edwards, CMC
Deputy City Clerk

FORMAL BID REPORT

TO: Robert Layton, City Manager

DATE: June 30, 2014

ENGINEERING BIDS – GARY JANZEN, CITY ENGINEERJune 27, 20142014 Sanitary Sewer Rehabilitation Phase C (CIPP) (north of 31st Street South, east of West Street) – Public Works & Utilities Department/Engineering Division**Insituform Technologies USA, LLC** **\$299,398.08**

Douglas Avenue Bus Facility Improvements (Market Street to Washington Avenue) – Public Works & Utilities Department/Engineering Division

Cornejo & Sons, LLC **\$799,924.00**

2014 Sanitary Sewer Reconstruction Phase 6 (north of Harry, east of Hoover) – Public Works & Utilities Department/Engineering Division

Wichita Excavation, Inc. **\$181,675.00**Morris/Spring Hollow Drive (south of Kellogg, west of 143rd Street East) – Public Works & Utilities Department/Engineering Division**(All Bids Rejected)**Paving – Tara Falls (north of Pawnee, west of 127th Street East) – Public Works & Utilities Department/Engineering Division**Conspec, Inc. dba Kansas Paving** **\$118,615.50****PURCHASING BIDS – MELINDA A. WALKER, PURCHASING MANAGER**June 27, 2014

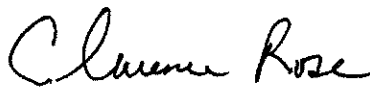
70 PTO HP Rubber Tire Tractor – Public Works & Utilities Department/Fleet & Facilities Division

Prairieland Partners, Inc.**Base Bid****\$41,932.67****Option 1 (Add) (Per Each)****\$29,410.00**Salt & Sand Mixture and Sand Only for Ice Control – Public Works & Utilities Department/Maintenance Division
(Defer to July 7, 2014)

Rock Salt for Snow & Ice Control – Public Works & Utilities Department/Maintenance Division

Hutchinson Salt Company**Line 1 – Primary Contractor (Per Ton)****\$39.39****Central Salt Company****Line 1 – Secondary Contractor (Per Ton)****\$50.00****Line 2 – Primary Contractor (Per Ton)****\$36.00**Janitorial Services for Transit Center & Bus Interior – Wichita Transit Department
(Defer to July 7, 2014)

ITEMS TO BE PURCHASED AS ADVERTISED IN THE OFFICIAL CITY NEWSPAPER.


 for Melinda A. Walker
 Purchasing Manager

SANITARY SEWER BID TABULATION SUMMARY

BOARD OF BIDS - June 27, 2014

RQ440604

| | | | | | |
|--|----------|--|--------------------------|---------------------------------------|---|
| FB440093 | | Engineer's Construction Estimate | LAYNE INLINER LLC | INSITUFORM TECHNOLOGIES USA LLC | Stannard Construction d/b/a WB Carter |
| 2014 Sanitary Sewer Rehabilitation Phase C (CIPP) | | \$355,800.00 | \$316,650.00 | \$299,398.08 | |
| (north of 31st Street S, east of West Street) | BID BOND | | X | X | |
| 468-84940 | ADDENDA | 0 | | | |
| (620707) | | | | | |
| | | Engineer's Construction Estimate | McCullough Excavation | Nowak Construction | Utilities Plus |
| 2014 Sanitary Sewer Rehabilitation Phase C (CIPP) | | \$355,800.00 | | | |
| (north of 31st Street S, east of West Street) | BID BOND | | | | |
| 468-84940 | ADDENDA | 0 | | | |
| (620707) | | | | | |
| | | Engineer's Construction Estimate | Wildcat Construction | | |
| 2014 Sanitary Sewer Rehabilitation Phase C (CIPP) | | \$355,800.00 | | | |
| (north of 31st Street S, east of West Street) | BID BOND | | | | |
| 468-84940 | ADDENDA | 0 | | | |
| (620707) | | | | | |
| | | Engineer's Construction Estimate | | | |
| 2014 Sanitary Sewer Rehabilitation Phase C (CIPP) | | \$355,800.00 | | | |
| (north of 31st Street S, east of West Street) | BID BOND | | | | |
| 468-84940 | ADDENDA | 0 | | | |
| (620707) | | | | | |

CHECKED BY: HPREVIEWED BY: PS

PAVING BID TABULATION SUMMARY

BOARD OF BIDS - June 27, 2014

RQ440657

| FB440110 | | Engineer's Construction Estimate | CORNEJO & SONS LLC | CONSPEC INC DBA KANSAS PAVING | |
|---|----------|--|-----------------------|----------------------------------|--|
| Douglas Avenue Bus Facility Improvements | | \$908,206.00 | \$799,924.00 | \$818,925.00 | |
| (Market St. to Washington Ave.) | BID BOND | | | | |
| | ADDENDA | 0 | | | |
| 472-85080 (716138/716139/716140/716141) | | 908,206.00 | | | |
| | | Engineer's Construction Estimate | | | |
| Douglas Avenue Bus Facility Improvements | | \$908,206.00 | | | |
| (Market St. to Washington Ave.) | BID BOND | | | | |
| | ADDENDA | 0 | | | |
| 472-85080 (716138/716139/716140/716141) | | 908,206.00 | | | |
| | | Engineer's Construction Estimate | | | |
| Douglas Avenue Bus Facility Improvements | | \$908,206.00 | | | |
| (Market St. to Washington Ave.) | BID BOND | | | | |
| | ADDENDA | 0 | | | |
| 472-85080 (716138/716139/716140/716141) | | 908,206.00 | | | |
| | | Engineer's Construction Estimate | | | |
| Douglas Avenue Bus Facility Improvements | | \$908,206.00 | | | |
| (Market St. to Washington Ave.) | BID BOND | | | | |
| | ADDENDA | 0 | | | |
| 472-85080 (716138/716139/716140/716141) | | 908,206.00 | | | |

CHECKED BY: KDREVIEWED BY: PS

SANITARY SEWER BID TABULATION SUMMARY

BOARD OF BIDS - June 27, 2014

RQ440658

| FB440111 | | Engineer's Construction Estimate | DONDLINGER & SONS CONSTRUCTION CO INC | WILDCAT CONSTRUCTION CO INC | STANNARD CONSTRUCTION CO INC |
|---|----------|--|--|-----------------------------------|------------------------------------|
| 2014 Sanitary Sewer Reconstruction Phase 6 | | \$515,400.00 | \$378,529.00 | \$211,622.00 | \$200,615.00 |
| (north of Harry, east of Hoover) | BID BOND | | | | X |
| 468-84966 | ADDENDA | 0 | | | |
| (620708) | | | | | |
| | | Engineer's Construction Estimate | VISUAL SYSTEMS INC | WICHITA EXCAVATION INC | B2 EXCAVATING LLC |
| 2014 Sanitary Sewer Reconstruction Phase 6 | | \$515,400.00 | \$324,292.00 | \$181,675.00 | \$356,574.00 |
| (north of Harry, east of Hoover) | BID BOND | | X | X | X |
| 468-84966 | ADDENDA | 0 | | | |
| (620708) | | | | | |
| | | Engineer's Construction Estimate | | | |
| 2014 Sanitary Sewer Reconstruction Phase 6 | | \$515,400.00 | | | |
| (north of Harry, east of Hoover) | BID BOND | | | | |
| 468-84966 | ADDENDA | 0 | | | |
| (620708) | | | | | |
| | | Engineer's Construction Estimate | | | |
| 2014 Sanitary Sewer Reconstruction Phase 6 | | \$515,400.00 | | | |
| (north of Harry, east of Hoover) | BID BOND | | | | |
| 468-84966 | ADDENDA | 0 | | | |
| (620708) | | | | | |

CHECKED BY: HPREVIEWED BY: AK

PAVING BID TABULATION SUMMARY

BOARD OF BIDS - June 27, 2014**RQ440659**

| FB440112 | | Engineer's Construction Estimate | APAC-KANSAS INC | CORNEJO & SONS LLC | CONSPEC INC DBA KANSAS PAVING |
|--|----------|--|-----------------|-----------------------|----------------------------------|
| Morris/Spring Hollow Drive | | | \$234,256.00 | \$220,852.60 | \$209,187.00 |
| (south of Kellogg, west of 143rd Street East) | BID BOND | | | | |
| | ADDENDA | 0 | | | |
| 472-85132 (766306) | | | | | |
| | | Engineer's Construction Estimate | | | |
| Morris/Spring Hollow Drive | | | | | |
| (south of Kellogg, west of 143rd Street East) | BID BOND | | | | |
| | ADDENDA | 0 | | | |
| 472-85132 (766306) | | | | | |
| | | Engineer's Construction Estimate | | | |
| Morris/Spring Hollow Drive | | | | | |
| (south of Kellogg, west of 143rd Street East) | BID BOND | | | | |
| | ADDENDA | 0 | | | |
| 472-85132 (766306) | | | | | |
| | | Engineer's Construction Estimate | | | |
| Morris/Spring Hollow Drive | | | | | |
| (south of Kellogg, west of 143rd Street East) | BID BOND | | | | |
| | ADDENDA | 0 | | | |
| 472-85132 (766306) | | | | | |
| REJECT BIDS | | | | | |

CHECKED BY: *AD*

REVIEWED BY:

PAVING BID TABULATION SUMMARY

BOARD OF BIDS - June 27, 2014

RQ440660

| FB440113 | | Engineer's Construction Estimate | APAC-KANSAS INC | CORNEJO & SONS LLC | CONSPECTION DBA KANSAS PAVING |
|---|----------|--|-------------------|--------------------------|----------------------------------|
| Tara Falls | | \$122,679.00 | \$149,852.25 | \$126,235.25 | \$118,615.50 |
| (north of Pawnee, west of 127th Street East) | BID BOND | | | | |
| 472-84338 (766308) | ADDENDA | 0 | | | |
| | | | | | |
| | | Engineer's Construction Estimate | Dondlinger & Sons | Kansas Paving Company | |
| Tara Falls | | \$122,679.00 | | | |
| (north of Pawnee, west of 127th Street East) | BID BOND | | | | |
| 472-84338 (766308) | ADDENDA | 0 | | | |
| | | | | | |
| | | Engineer's Construction Estimate | | | |
| Tara Falls | | \$122,679.00 | | | |
| (north of Pawnee, west of 127th Street East) | BID BOND | | | | |
| 472-84338 (766308) | ADDENDA | 0 | | | |
| | | | | | |
| | | Engineer's Construction Estimate | | | |
| Tara Falls | | \$122,679.00 | | | |
| (north of Pawnee, west of 127th Street East) | BID BOND | | | | |
| 472-84338 (766308) | ADDENDA | 0 | | | |
| | | | | | |

CHECKED BY: REVIEWED BY: 

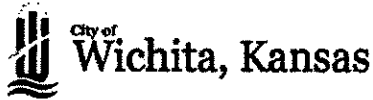
**BID RESULTS**[Registration](#)[Solicitations](#)[Document Inquiry](#)[Login](#)[Help](#)

This page summarizes vendor responses by the bid total. Awarded vendors will be notified of their respective purchase orders/contracts.

Vendor Group Line**Solicitation:** FB440104**70 PTO HP Rubber Tired Tractor****Close Date/Time:** 6/27/2014 10:00 AM CST**Solicitation Type:** Formal Bid[Return to the Bid List](#)**Award Method:** Aggregate Cost**Department:** Public Works Fleet & Facilities**Responses:** 3

| Vendors | Complete | Bid Total | City Comments |
|---------------------------|-----------------|------------------|---|
| JOHN SCHMIDT & SONS INC | Partial | \$56,365.00 | |
| PRAIRIELAND PARTNERS INC. | Partial | \$59,342.67 | Award 07/01/2014 Base Bid with Opt 1 Public Works & Utilities Department/Fleet & Facilities Division |
| MCCULLOUGH ENTERPRISES | Partial | \$71,014.00 | |

[Top of the Page](#)

**BID RESULTS**[Registration](#)[Solicitations](#)[Document Inquiry](#)[Login](#)[Help](#)

This page summarizes vendor bids by the extended cost for each commodity line on the solicitation.

Vendor Group Line

Solicitation: FB440104 **70 PTO HP Rubber Tired Tractor** **Close Date/Time:** 6/27/2014 10:00 AM CST

Solicitation Type: Formal Bid[Return to the Bid List](#)**Award Method:** Aggregate Cost**Department:** Public Works Fleet & Facilities**Responses:** 3**Go to:** 001

Line 001 | Base Bid: New Unused Current Model 70 PTO HP 4X4 Rubber Tired Tractor.
 Manufacturer: _____ Model: _____ Year: _____

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|---------------------------|-----|------|---------------|---------------|----------|---------------------------------|
| JOHN SCHMIDT & SONS INC | 1 | Each | \$41,027.0000 | \$41,027.00 | Complete | 2014 Massey Ferguson Model 4609 |
| PRAIRIELAND PARTNERS INC. | 1 | Each | \$41,932.6700 | \$41,932.67 | Complete | 2014 John Deere Model S085E |
| MCCULLOUGH ENTERPRISES | 1 | Each | \$48,764.0000 | \$48,764.00 | Complete | 2015 New Holland Model T4.85 |

Line 002 | OPTION 1: Single Wing Right Side/Rear Mount Flail Mower to Meet Specifications of Supplement A (This Unit is to be Installed on the Tractor Supplied for this Bid and shall be Fully Functional at the Time of Delivery to the City of Wichita).

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|---------------------------|-----|------|---------------|---------------|----------|-----------------------------|
| PRAIRIELAND PARTNERS INC. | 1 | Each | \$29,410.0000 | \$29,410.00 | Complete | |
| JOHN SCHMIDT & SONS INC | 1 | Each | \$30,338.0000 | \$30,338.00 | Complete | Diamond DSF090-C, DRF090-OF |
| MCCULLOUGH ENTERPRISES | 1 | Each | \$35,300.0000 | \$35,300.00 | Complete | |

Line 003 | OPTION 2: Trade-in Allowance of a 2004 Tractor, Interstater, New Holland, TN75DA Serial Number HJED05746, Equip # 000668 Approximately 1,704HRS. Lump Sum Deduct from Total.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|---------------------------|-----|------|-----------------|---------------|----------|----------|
| JOHN SCHMIDT & SONS INC | 1 | Each | (\$15,000.0000) | (\$15,000.00) | Complete | |
| MCCULLOUGH ENTERPRISES | 1 | Each | (\$13,050.0000) | (\$13,050.00) | Complete | |
| PRAIRIELAND PARTNERS INC. | 1 | Each | (\$12,000.0000) | (\$12,000.00) | Complete | |

Line 004 | OPTION 3: Four Wheel Drive (MFWD) Front Steer, Factory Standard. THIS ITEM HAS BEEN DELETED, NO BID THIS ITEM.

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|----------------------|-----|-----|-------|---------------|----------|----------|
| PRAIRIELAND PARTNERS | | | | | No Bid. | |

INC.

JOHN SCHMIDT & SONS INC

No Bid.

MCCULLOUGH ENTERPRISES

No Bid.

Top of the Page



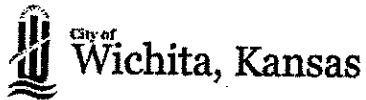
**BID RESULTS**[Registration](#)[Solicitations](#)[Document Inquiry](#)[Login](#)[Help](#)

This page summarizes vendor responses by the bid total. Awarded vendors will be notified of their respective purchase orders/contracts.

Vendor Group Line**Solicitation:** FB440108**Salt & Sand Mixture & Sand Only****Close Date/Time:** 6/27/2014 10:00 AM CST**Solicitation Type:** Formal Bid[Return to the Bid List](#)**Award Method:** Aggregate Cost**Department:** Public Works Maintenance Division**Responses:** 3

| Vendors | Complete | Bid Total | City Comments |
|--------------------------|-----------------|------------------|---|
| PEARSON CONSTRUCTION LLC | Complete | \$102,423.00 | Defer 07/07/2014 Public Works & Utilities Department/Maintenance Division |
| CORNEJO & SONS LLC | Complete | \$111,430.00 | |
| APEX TRUCKING INC | Complete | \$155,485.00 | |

[Top of the Page](#)

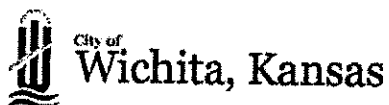
**BID RESULTS**[Registration](#)[Solicitations](#)[Document Inquiry](#)[Login](#)[Help](#)

This page summarizes vendor responses by the bid total. Awarded vendors will be notified of their respective purchase orders/contracts.

Vendor Group Line**Solicitation:** FB440109**Rock Salt for Snow & Ice Control****Close Date/Time:** 6/27/2014 10:00 AM CST**Solicitation Type:** Formal Bid[Return to the Bid List](#)**Award Method:** Aggregate Cost**Department:** Public Works Maintenance Division**Responses:** 2

| Vendors | Complete | Bid Total | City Comments |
|-------------------------|-----------------|------------------|---|
| CENTRAL SALT LLC | Complete | \$516,000.00 | Award 07/01/2014 Line 1 Secondary Contract & Line 2 Primary Contract PBWU Dept/Maint Div |
| HUTCHINSON SALT COMPANY | Partial | \$236,340.00 | Award 07/01/2014 Line 1 Primary Contract PBWU Department/Maint. Division |

[Top of the Page](#)

**BID RESULTS**[Registration](#)[Solicitations](#)[Document Inquiry](#)[Login](#)[Help](#)

This page summarizes vendor bids by the extended cost for each commodity line on the solicitation.

Vendor Group Line

Solicitation: FB440109 **Rock Salt for Snow & Ice Control** **Close Date/Time:** 6/27/2014 10:00 AM CST

Solicitation Type: Formal Bid

[Return to the Bid List](#)

Award Method: Aggregate Cost

Department: Public Works Maintenance Division

Responses: 2

Go to: 001

Line 001 | Salt Only (Delivered)

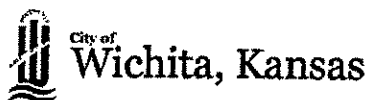
| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|-------------------------|------|-----|-----------|---------------|----------|----------|
| HUTCHINSON SALT COMPANY | 6000 | Ton | \$39.3900 | \$236,340.00 | Complete | |
| CENTRAL SALT LLC | 6000 | Ton | \$50.0000 | \$300,000.00 | Complete | |

Line 002 | Salt Only (Pickup by City Staff or designee)

| Vendors | QTY | UOM | Price | Extended Cost | Complete | Comments |
|-------------------------|------|-----|-----------|---------------|----------|----------|
| CENTRAL SALT LLC | 6000 | Ton | \$36.0000 | \$216,000.00 | Complete | |
| HUTCHINSON SALT COMPANY | | | | | No Bid. | |

[Top of the Page](#)



**BID RESULTS**[Registration](#)[Solicitations](#)[Document Inquiry](#)[Login](#)[Help](#)

This page summarizes vendor responses by the bid total. Awarded vendors will be notified of their respective purchase orders/contracts.

Vendor Group Line

Solicitation: FB440101 **Janitorial Serv-Transit Ctr/Bus Interior** **Close Date/Time:** 6/20/2014 10:00 AM CST

Solicitation Type: Formal Bid[Return to the Bid List](#)**Award Method:** Group**Department:** Wichita Transit**Responses:** 8

| Vendors | Complete | Bid Total | City Comments |
|------------------------------------|----------|--------------|---|
| IMPERIAL SERVICES | Complete | \$74,180.00 | Defer to 7/7/14, Wichita Transit Department |
| EH TECHNICAL SOLUTIONS INC | Complete | \$79,129.00 | |
| ABLE JANITORIAL INC | Complete | \$85,678.04 | |
| HEAVENLY HOUSEKEEPING SERVICES LLC | Complete | \$88,585.00 | |
| BEST CORPORATION INC | Complete | \$96,980.00 | |
| CROWDERS CLEANING SERVICE | Partial | \$41,880.00 | |
| TRIPLE L CLEANING | Partial | \$42,193.00 | |
| ELITE FRANCHISING INC | Partial | \$101,799.12 | |

[Top of the Page](#)

**PRELIMINARY ESTIMATES
FOR CITY COUNCIL JULY 1, 2014**

- a. Mt. Vernon & Oliver Intersection Improvements (Mt. Vernon & Oliver Intersection) (87N-0548-01/472-85042/707037/636302/211502/774071) Traffic to be maintained during construction using flagpersons and barricades. (District III) - \$1,740,000.00
- b. Water Distribution System to serve The Ranch Addition (south of 21st Street North, west of 159th Street East) (448-90618/735499/470172) Traffic to be maintained during construction using flagpersons and barricades. (District II) - \$91,000.0

To be Bid:

May 30, 2014

PRELIMINARY ESTIMATE of the cost of:
Mt. Vernon & Oliver Intersection Improvements

All work done and all materials furnished to be in accordance with plans and specifications on file in the office of the City Engineer.

LUMP SUM BID ITEMS (707037)

| | | | |
|----|---|-------|----|
| 1 | Field Office & Laboratory (Type A) | 1 | LS |
| 2 | Mobilization | 1 | LS |
| 3 | Mobilization (DBE) | 1 | LS |
| 4 | Site Clearing | 1 | LS |
| 5 | Site Restoration | 1 | LS |
| 6 | Removal of Existing Structure | 1 | LS |
| 7 | Concrete &/or Asphalt Pavement Rem'd | 7,589 | sy |
| 8 | Concrete &/or Asph. Sdwk, Dr. &/or Pkg Lot Rem'd | 3,059 | sy |
| 9 | Excavation | 2,535 | cy |
| 10 | Fill, Compacted (95% Density) | 122 | cy |
| 11 | Concrete Pavement 9" (Reinf) | 1,458 | sy |
| 12 | Concrete Pavement 9" (NRDJ) | 7,073 | sy |
| 13 | Concrete Pavement (VG) 8" (Reinf) | 236 | sy |
| 14 | Crushed Rock Base 7", Reinf | 189 | sy |
| 15 | Crushed Rock Base 6", Reinf | 9,512 | sy |
| 16 | Concrete C & G, Comb. Type 1 (6" & 1-1/2") | 2,775 | lf |
| 17 | Concrete Curb, Mono Edge (6" & 1-1/2") | 145 | lf |
| 18 | Brick Pavers (Concrete), Crosswalk | 249 | sy |
| 19 | Wheelchair Ramp w/ Detectable Warnings | 15 | ea |
| 20 | Valve Box Adjusted | 4 | ea |
| 21 | AT&T Manholes Adjusted | 2 | ea |
| 22 | Remove, Protect and Reset Bus Bench 7 Bicycle Racks | 1 | LS |
| 23 | Sodding, Bermuda | 1 | LS |

MEASURED QUANTITY BID ITEMS (707037)

| | | | |
|----|---------------------------------------|--------|----|
| 24 | Concrete Driveway 8" (Reinf) | 15,975 | sf |
| 25 | Concrete Pavement 6" (Reinf)(Pkg Lot) | 326 | sy |
| 26 | AC Pavement 6" (4" Bit Base)(Pkg Lot) | 254 | sy |
| 27 | Concrete Sidewalk 4" | 4,930 | sf |
| 28 | Concrete Sidewalk 5" | 5,644 | sf |
| 29 | Concrete Protection Curb | 60 | lf |
| 30 | Signing, Arrow Board (each per day) | 30 | DY |

LUMP SUM BID ITEMS - Traffic (707037)

| | | | |
|----|----------------------------------|---|----|
| 31 | Pavement Marking | 1 | LS |
| 32 | Signing | 1 | LS |
| 33 | Traffic Control | 1 | LS |
| 34 | Traffic Signalization | 1 | LS |
| 35 | Traffic Signalization, Temporary | 1 | LS |

LUMP SUM BID ITEMS - Non-Participating (707037)

| | | | |
|----|---|---|----|
| 36 | Transportation of Salvaged Materials | 1 | LS |
| 37 | Project Signage (D-3 Metro Street Name Signs) | 1 | LS |

MEASURED QUANTITY BID ITEMS - Erosion Control BMP (707037)

| | | | |
|----|------------------------------|-------|----|
| 38 | BMP, Back of Curb Protection | 1,951 | lf |
|----|------------------------------|-------|----|

MEASURED QUANTITY BID ITEMS (636302)

Water Improvements (Non-Participating)

| | | | |
|----|------------------------------|-------|----|
| 39 | Fire Hydrant Assembly | 1 | ea |
| 40 | Fire Hydrant w/o Valve | 1 | ea |
| 41 | Pipe, WL 12" | 118 | lf |
| 42 | Pipe, WL 8" | 1,125 | lf |
| 43 | Pipe, WL 2 1/2" | 50 | lf |
| 44 | Pipe, WL 2" | 23 | lf |
| 45 | Pipe, DI CL 8" | 78 | lf |
| 46 | Pipe, DI CL 6" | 71 | lf |
| 47 | Pipe, DI CL 2" (DO NOT BID) | 3 | lf |
| 48 | Valve Assembly, Anchored 12" | 1 | ea |
| 49 | Valve Assembly, Anchored 8" | 5 | ea |
| 50 | Valve Assembly, Anchored 6" | 1 | ea |
| 51 | Valve Assembly, Gate 8" | 1 | ea |
| 52 | Valve Assembly, Blowoff 2" | 1 | ea |
| 53 | Service Outlet Assembly, 2" | 1 | ea |
| 54 | Service Line Short, 2" | 1 | ea |
| 55 | Service Line Long, 1" | 8 | ea |

| | | | |
|----|--------------------------------------|-------|----|
| 56 | Service Line Short, 1" | 6 | ea |
| 57 | Fire Hydrant Removal | 2 | ea |
| 58 | Valve Assemblies Abandoned | 11 | ea |
| 59 | Valve Assemblies Removed | 1 | ea |
| 60 | Water Meter Adjusted | 3 | ea |
| 61 | Concrete &/or Asphalt Pavement Rem'd | 610 | sy |
| 62 | AC Patch (Comm. Grade), Temp. | 610 | sy |
| 63 | Fill, Sand (Flushed & Vibrated) | 1,367 | lf |

MEASURED QUANTITY BID ITEMS - Erosion Control BMP (707037)

| | | | |
|----|----------------------------|---|----|
| 64 | BMP, Curb Inlet Protection | 4 | ea |
|----|----------------------------|---|----|

| | |
|--------------------------|-----------|
| KDOT Participating Items | 1,329,353 |
|--------------------------|-----------|

| | |
|------------------------------|---------|
| KDOT Non-Participating Items | 154,800 |
|------------------------------|---------|

Construction Subtotal

0.00

Tapping Sleeve, 16" X 8"

Tapping Valve, 8"

Tapping Sleeve, 12" X 8"

Design Fee (707037)

Right of Way (707037)

Engineering & Inspection (707037)

Engineering & Inspection (636302)

Administration (707037)

Administration (636302)

Publication (707037)

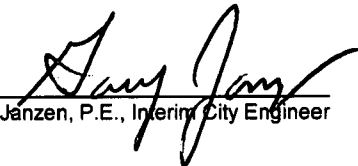
Total Estimated Cost

\$1,740,000.00

CITY OF WICHITA)

STATE OF KANSAS) SS

I do solemnly swear that the above amount is correct, reasonable and just.


Gary Janzen, P.E., Interim City Engineer

Sworn to and subscribed before me this _____
(DATE)

City Clerk

211502/ 774071(707037/636302) 87N-0548-01/472-85042

Page _____

EXHIBIT

To be Bid: June 20, 2014

PRELIMINARY ESTIMATE of the cost of:

Water Distribution System to serve The Ranch Addition
(south of 21st Street North, west of 159th Street East)

All work done and all materials furnished to be in accordance with plans and specifications
on file in the office of the City Engineer.

LUMP SUM BID ITEMS

| | | | |
|----|--------------------------------------|-------|----|
| 1 | Pipe, WL 6" | 351 | lf |
| 2 | Pipe, WL 8" | 1,699 | lf |
| 3 | Fire Hydrant Assembly | 5 | ea |
| 4 | Valve Assembly, Blowoff 2" | 2 | ea |
| 5 | Valve Assembly, 8" | 2 | ea |
| 6 | Valve Assembly, Anchored 8", Special | 1 | ea |
| 7 | Maintain Existing BMPs | 1 | LS |
| 8 | Seeding | 1 | LS |
| 9 | Site Clearing | 1 | LS |
| 10 | Site Restoration | 1 | LS |

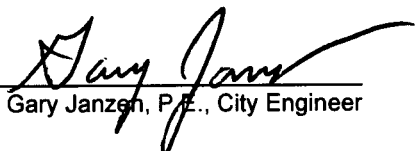
Construction Subtotal\$0.00

Design Fee
Engineering & Inspection
Administration
Publication
Contingency

Total Estimated Cost\$91,000.00

CITY OF WICHITA)
STATE OF KANSAS) SS

I do solemnly swear that the above amount is correct, reasonable and just.


Gary Janzen, P.E., City Engineer

Sworn to and subscribed before me this _____
(DATE)

City Clerk

470172 (735499) 448-90618

Page _____

EXHIBIT

City of Wichita
City Council Meeting
July 1, 2014

TO: Mayor and City Council

SUBJECT: Community Events – Glow Run 5K Wichita (District IV)

INITIATED BY: Division of Arts & Cultural Services

AGENDA: Consent

Recommendation: Approve the request for temporary street closures.

Background: In accordance with the Community Events procedure the event promoter Sally Bowerman, KC Running Club is coordinating the Glow Run 5K Wichita with City of Wichita staff, subject to final approval by the City Council.

Analysis: The following street closure request has been submitted:

Glow Run 5K Wichita August 2, 2014 8:00 pm – 11:00 pm

- McLean Boulevard, Harry Street to Douglas Avenue
- Maple Street, Sycamore Street to McLean Boulevard

The event promoter will arrange to remove the barricades as necessary to allow emergency vehicle access during the entire designated time period. The barricades will be removed immediately upon completion of the event.

Financial Consideration: The event promoter is responsible for all costs associated with the special event.

Legal Consideration: There are no legal considerations.

Recommendation/Actions: It is recommended that the City Council approve the request subject to; 1) Hiring off-duty certified law enforcement officers as required; 2) Obtaining barricades to close the streets in accordance with requirements of the Police, Fire and Public Works and Utilities Departments; and 3) Securing a Certificate of Liability Insurance on file with the Community Event Coordinator.

City of Wichita
City Council Meeting
July 1, 2014

TO: Mayor and City Council

SUBJECT: Community Events – Titan 10K (Districts III and IV)

INITIATED BY: Division of Arts & Cultural Services

AGENDA: Consent

Recommendation: Approve the request for temporary street closures.

Background: In accordance with the Community Events procedure the event promoter Trevor Dormstetter, goracetiming.com is coordinating the Titan 10K with City of Wichita staff, subject to final approval by the City Council.

Analysis: The following street closure request has been submitted:

Titan 10K July 12, 2014 6:30 am – 10:00 am

- 35th Street South, Osage Avenue to Walnut Street
- Walnut Street, 35th Street South to 33rd Street South
- 33rd Street South, Walnut Street to Palisade Avenue
- Palisade Avenue, 33rd Street South to 32nd Street South
- 32nd Street South, Palisade Avenue to Gold Street
- Gold Street, 33rd Street South to 31st Street South
- McLean boulevard, 31st Street South to Pawnee Street

The event promoter will arrange to remove the barricades as necessary to allow emergency vehicle access during the entire designated time period. The barricades will be removed immediately upon completion of the event.

Financial Consideration: The event promoter is responsible for all costs associated with the special event.

Legal Consideration: There are no legal considerations.

Recommendation/Actions: It is recommended that the City Council approve the request subject to; 1) Hiring off-duty certified law enforcement officers as required; 2) Obtaining barricades to close the streets in accordance with requirements of the Police, Fire and Public Works and Utilities Departments; and 3) Securing a Certificate of Liability Insurance on file with the Community Event Coordinator.

City of Wichita
City Council Meeting
July 1, 2014

TO: Mayor and City Council

SUBJECT: Community Events – Summer Concerts at WaterWalk (District I)

INITIATED BY: Division of Arts & Cultural Services

AGENDA: Consent

Recommendation: Approve the request for temporary street closures.

Background: In accordance with the Community Events procedure the event promoter Sharon VanHorn, VanHorn Promotion and Marketing is coordinating the Summer Concerts at WaterWalk with City of Wichita staff, subject to final approval by the City Council.

Analysis: The following street closure request has been submitted:

Summer Concerts at WaterWalk July 11, 18, 25 and August 1, 8 and 15, 2014 6:00 am – 11:00 pm

- Water Street, Dewey Street to Waterman Street.

The event promoter will arrange to remove the barricades as necessary to allow emergency vehicle access during the entire designated time period. The barricades will be removed immediately upon completion of the event.

Financial Consideration: The event promoter is responsible for all costs associated with the special event.

Legal Consideration: There are no legal considerations.

Recommendation/Actions: It is recommended that the City Council approve the request subject to; 1) Hiring off-duty certified law enforcement officers as required; 2) Obtaining barricades to close the streets in accordance with requirements of the Police, Fire and Public Works and Utilities Departments; and 3) Securing a Certificate of Liability Insurance on file with the Community Event Coordinator.

City of Wichita
City Council Meeting
July 1, 2014

TO: Mayor and City Council

SUBJECT: Temporary Street Closure: Broadway and First Streets (District VI)

INITIATED BY: Department of Public Works & Utilities

AGENDA: Consent

Recommendation: Approve the temporary street closures.

Background: Belger Cartage Service provides crane service, including delivery of materials and equipment to rooftops. The AT&T Building, located at 154 North Broadway Avenue, requires access to the roof using these services.

Analysis: In order to safely move loads to and from the roof of the AT&T building, the streets below must be temporarily closed. This includes Broadway, from First Street south to the overhead walkway, and First Street from Broadway to Topeka, from 5:00 PM on July 11, 2014, to 1:00 AM on July 14, 2014. Traffic will be detoured as follows:

Southbound traffic on Broadway will be diverted east on Third Street, south on Topeka, west onto Douglas, then back to Broadway. Northbound traffic on Broadway will be diverted west on Douglas to Market, north to Third Street, then back to Broadway. Left turns for northbound Broadway should not conflict due to the road being closed from the north.

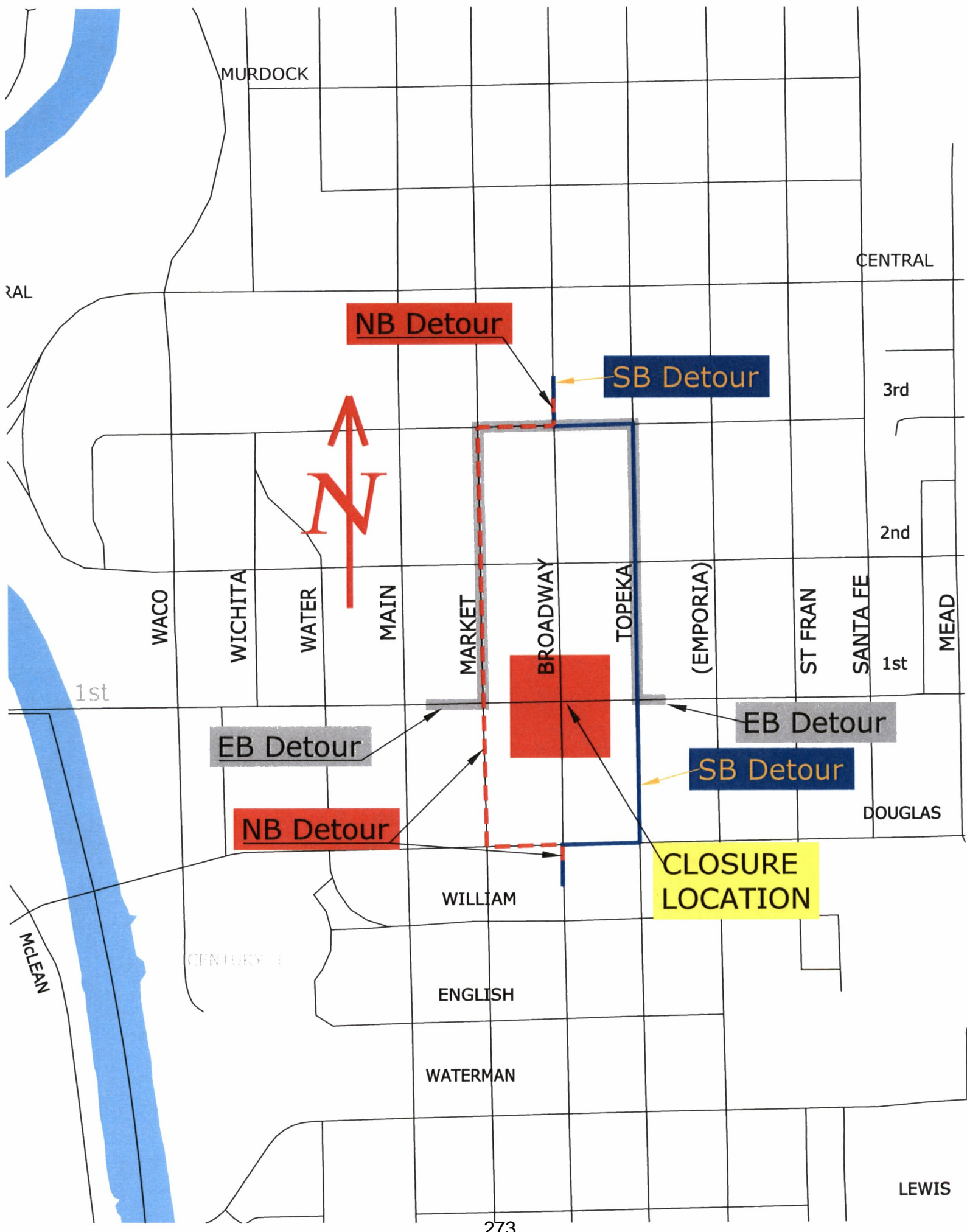
Eastbound traffic on First Street will be diverted north on Market to Third Street east to Topeka, then south back to First Street. Message boards will be used to alert traffic prior to the closure.

Financial Considerations: There is no cost to the City associated with this closure.

Legal Considerations: The City Council has legislative authority under the powers granted in the Kansas Constitution, Art. 12, § 5 to temporarily close a street not a part of a designated Federal or state highway system in order to secure the public safety and welfare. A motion is the appropriate format for such action.

Recommendation/Actions: It is recommended that the City Council approve the temporary street closures.

Attachment: Map.





DEPARTMENT OF LAW
INTEROFFICE MEMORANDUM

TO: Karen Sublett, City Clerk
FROM: Gary E. Rebenstorf, Director of Law
SUBJECT: Report on Claims for May 2014
DATE: June 5, 2014

The following claims were approved by the Law Department during the month of May 2014.

| | |
|--------------------|-----------------|
| AT&T | \$ 2,511.69** |
| Baxter, Dennis | \$ 1,359.00** |
| Black Hills Energy | \$ 522.64 |
| Bomgardner, Robert | \$ 62.45 |
| Britton, Tammy | \$ 364.10 |
| Fenwick, Brian | \$ 264.38 |
| Hamilton, Quincy | \$ 205.00 |
| Nordman, Gary | \$ 153.39 |
| Peters, Brian | \$ 500.00** |
| Purdy, Bryant | \$10,000.00* ** |
| Ruiz, Amber | \$ 3,913.03 |
| Schmidt, David | \$ 350.00 |
| Shaw, Lance | \$ 1,227.28 |
| Westar Energy | \$ 3,233.43 |
| White, DeAnn | \$ 284.00 |

*City Manager Approval

** Settled for lesser amount than claimed

***Settled for more than amount claimed

cc: Robert Layton, City Manager
Shawn Henning, Director of Finance

City of Wichita
City Council Meeting
July 1, 2014

TO: Mayor and City Council

SUBJECT: Janitorial Services for Various City Facilities (All Districts)

INITIATED BY: Department of Public Works & Utilities

AGENDA: Consent

Recommendation: Approve 90 day extension of custodial services contracts.

Background: Since 1994, the City of Wichita has maintained contracts for custodial services. The latest formal proposals were submitted and reviewed in 2010, and contracts were later approved by the City Council in 2011. The existing contracts for custodial services are as follows: Wilson Building Maintenance Inc. provides custodial services for the Central Public Library; outside park restrooms; and Pawnee Prairie Park Community Facility. EH Technical Solutions provides custodial services for the Environmental Health building; and the athletic field restrooms. AAA Commercial Janitorial provides custodial services for the Animal Control Facility. Able Janitorial provides custodial services for Old Town Parking Garage and restrooms; and WaterWalk Restrooms. Tee Time Investments provides custodial services for Wichita Fire Department (WFD) Regional Training Facility.

Analysis: In response to the expiration of the current contracts on May 31st, 2014, it is the intent of the Department of Public Works & Utilities to solicit Request for Proposals for new custodial services contracts. The 90 day extension would allow the Department to initiate the bidding and selection process while allowing current vendors to continue servicing City facilities without interruption.

Financial Considerations: Monthly contracted services in 2014 reached \$54,097 at its highest. This is a slight increase over 2013 average monthly custodial services due to number of facilities being served, scope of work, and overall increase in general custodial costs. The monthly contract costs are broken down as follows: Central Public Library at \$14,153, Environmental Health at \$7,151, outside park restrooms at \$19,342, athletic field restrooms at \$4,575, Animal Control Facility at \$2,904, Old Town and WaterWalk Parking Garages and Restrooms at \$2,744, WFD Regional Training Facility at \$865, and Pawnee Prairie Park Facility \$3,690. These monthly costs can be expected over the proposed 90 day extension. The contracts are funded through the Department of Public Works & Utilities/Fleet & Facilities Division operating budget.

Legal Considerations: The Law Department has approved the contract extensions as to form.

Recommendations/Actions: It is recommended that the City Council approve the extension of custodial services contracts.

Attachments: None.

City of Wichita
City Council Meeting
July 1, 2014

TO: Mayor and City Council

SUBJECT: Maureen Connolly Brinker (MCB) Tennis Foundation Grant
(Districts I, III and VI)

INITIATED BY: Department of Park and Recreation

AGENDA: Consent

Recommendation: Authorize staff to accept a grant from the Maureen Connolly Brinker (MCB) Tennis Foundation.

Background: As part of the City of Wichita, Riverside Tennis Center's effort to expand tennis instruction to the children of Wichita, the Center has applied for the Maureen Connolly Brinker Tennis Foundation Grant through the Wichita Park and Recreation Department. Summer Activity Camps are offered by The City of Wichita Park and Recreation Department at many of our Recreation Centers. Guided by Riverside Tennis Center instructors along with the help of volunteers, tennis instruction is part of the week's curriculum at the Colvin, Evergreen, Linwood and McAdams Recreation Centers.

Analysis: This year, the City of Wichita Riverside Tennis Center has again applied for the MCB Grant to make tennis instruction available to children of the Summer Activity Camps who may otherwise not get the opportunity to take a tennis lesson. This grant is for a total of \$4,608 and will pay for the tennis instructors' wages.

Financial Considerations: The funds from the MCB Grant will pay for tennis instructors' wages. A copy of the Grant Budget is attached.

Legal Considerations: The Law Department has reviewed and approved the grant application as to form.

Recommendation/Action: It is recommended that the City Council authorize staff to accept the grant from the Maureen Connolly Brinker Tennis Foundation and authorize the necessary signatures.

Attachment: Grant Budget.

Grant Request Budget Breakdown to MCB Foundation of KS
Tennis Instruction Summer Activity Camp Program

Total Request Amount: \$4,608

Four Locations: Colvin, Evergreen, Mc Adams and Woodard Recreation Centers.

Total Hours of Instruction per location: 30 (2hrs/day; 15 days)

Number of Instructors per location: 2

Average Hourly Fee per instructor: Up to \$20/hr (including payroll tax)

Total Amount Needed for Instructors:

\$20/hr X 2 instructors X 30 hrs/location X 4 locations =

Second Reading Ordinances for July 1, 2014 (first read on June 24, 2014)

A. Abatement of Dangerous and Unsafe Structures (Districts I, II, III, IV and VI)

ORDINANCE NO. 49-771

AN ORDINANCE MAKING A SPECIAL ASSESSMENT TO PAY FOR THE REMOVAL OF CERTAIN STRUCTURES, BEING DANGEROUS AND UNSAFE BUILDINGS WHICH HAVE BEEN DECLARED A NUISANCE (BUILDING CONDEMNATION-DEMOLITION) UNDER THE PROVISION OF SECTIONS 18.16.010 TO 18.16.090 OF THE CODE OF THE CITY OF WICHITA, KANSAS

ORDINANCE NO. 49-772

AN ORDINANCE MAKING A SPECIAL ASSESSMENT TO PAY FOR THE REMOVAL OF CERTAIN STRUCTURES, BEING DANGEROUS AND UNSAFE BUILDINGS WHICH HAVE BEEN DECLARED A NUISANCE (BUILDING EMERGENCY BOARD-UP) UNDER THE PROVISION OF SECTIONS 18.16.010 TO 18.16.090 OF THE CODE OF THE CITY OF WICHITA, KANSAS

Wichita, Kansas
June 30, 2014
10:00 a.m., Monday
Conference Room, 12th Floor

MINUTES - BOARD OF BIDS AND CONTRACTS*

The Board of Bids and Contracts met with Marty Strayer, Administrative Assistant, Public Works Engineering in the Chair; Fanny Chan, Senior Accountant, Finance, representing the Director of Finance, Elizabeth Goltry-Wadle, Senior Budget Analyst, Budget Office, Clarence Rose, Senior Buyer, representing Purchasing, Zack Daniel, Management Fellow, representing the City Manager's Office, and Janis Edwards, Deputy City Clerk, present.

Minutes of the regular meeting dated June 23, 2014, were read and on motion approved.

Bids were opened June 27, 2014, pursuant to advertisements published on:

**WICHITA AIRPORT AUTHORITY/ENGINEERING DIVISION: Airfield
Pavement Joint Reseal Phase 3.**

Scodeller Construction Inc.* - \$315,000.00 *Engineer's Estimate

**WICHITA AIRPORT AUTHORITY/ENGINEERING DIVISION: General
Aviation Apron Pavement Repair.**

Bids Rejected

The Purchasing Division recommended that the contracts be awarded /rejected as outlined above, same being the lowest and best bid.

On motion the Board of Bids recommended that the contracts be awarded/rejected as outlined above, same being the lowest and best bid.

On motion the Board of Bids adjourned.

Marty Strayer, Administrative Assistant
Department of Public Works

Janis Edwards, CMC
Deputy City Clerk

FORMAL BID REPORT

TO: Robert Layton, City Manager
DATE: June 30, 2014


WICHITA AIRPORT AUTHORITY BIDS – VICTOR WHITE, DIRECTOR OF AIRPORTS

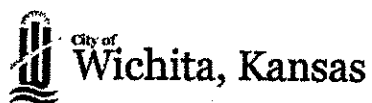
June 27, 2014

2014 Airfield Pavement Joint Reseal Phase 3 at Mid-Continent Airport – Wichita Airport Authority/Engineering Division

| | | |
|---|------------------------------|---------------------|
| Scodeller Construction, Inc. | (Engineer's Estimate) | \$315,000.00 |
| General Aviation Apron Pavement Repair – Wichita Airport Authority/Engineering Division | | |
| (All Bids Rejected) | | |

ITEMS TO BE PURCHASED AS ADVERTISED IN THE OFFICIAL CITY NEWSPAPER.


for Melinda A. Walker
Purchasing Manager

**BID RESULTS**[Registration](#)[Solicitations](#)[Document Inquiry](#)[Login](#)[Help](#)

This page summarizes vendor responses by the bid total. Awarded vendors will be notified of their respective purchase orders/contracts.

Vendor Group Line

Solicitation: FB440105 **Airfield Pavement Joint Reseal Phase 3** **Close Date/Time:** 6/27/2014 10:00 AM CST

Solicitation Type: Formal Bid[Return to the Bid List](#)**Award Method:** Aggregate Cost**Department:** Airport Engineering**Responses:** 2

| Vendors | Complete | Bid Total | City Comments |
|------------------------------------|----------|--------------|---|
| SCODELLER CONSTRUCTION INC | Complete | \$203,496.00 | Award 7-1-14 for the Engineer's Estimate \$315,000 Wichita Airport Authority/Engineering Division |
| PENHALL COMPANY / HIGHWAY SERVICES | Complete | \$234,800.00 | |

[Top of the Page](#)

**BID RESULTS**[Registration](#)[Solicitations](#)[Document Inquiry](#)[Login](#)[Help](#)

This page summarizes vendor responses by the bid total. Awarded vendors will be notified of their respective purchase orders/contracts.

Vendor Group Line**Solicitation:**
FB440100**General Aviation Apron Pavement
Repair****Close Date/Time:** 6/20/2014 10:00
AM CST**Solicitation Type:** Formal Bid[Return to the Bid List](#)**Award Method:** Aggregate Cost**Department:** Airport Engineering**Responses:** 1

| Vendors | Complete | Bid Total |
|--------------------|-----------------|------------------|
| CORNEJO & SONS LLC | Complete | \$590,750.00 |

City Comments

Reject 7-1-14 Wichita Airport
Authority/Engineering Div.- No
Bids within Engineer's Estimate

[Top of the Page](#)